

Information regarding the compensation awarded to Managing Board members, published in accordance with the AFEP-MEDEF Corporate Governance Code

COMPENSATION IN RESPECT OF 2019, SUBJECT TO THE ACHIEVEMENT OF PERFORMANCE TARGETS

I. Variable compensation

At its meeting on February 25, 2020 and acting on the recommendation of the Appointments, Compensation and Governance Committee, the Peugeot SA Supervisory Board confirmed the amounts of variable compensation awarded to the Managing Board members in respect of 2019, based on the level of achievement of their performance targets:

Managing Board member	% achievement of targets	Amount of variable compensation awarded
Carlos Tavares <i>Chairman of the Managing Board</i>	99.98%	€2,549,388
Olivier Bourges ¹	101.36%	€552,321 ⁴
Michael Lohscheller ²	177.25%	€473,972 ⁴
Maxime Picat	104.24%	€925,130
Jean-Christophe Quémard ³	101.24%	€547,632 ⁴

1 – Member of the Managing Board as of March 1, 2019

2 – Member of the Managing Board as of September 1, 2019

3 – Member of the Managing Board until August 31, 2019

4 – Amounts prorated over the duration of the term in 2019

Details on the extent to which objectives were achieved and the corresponding amounts are presented in section 3.2 of the 2019 Universal Registration Document.

In accordance with Article L. 225-100 of the French Commercial Code (*Code de commerce*), payment of this compensation will be subject to approval by the Annual Shareholders' Meeting on May 14, 2020.

II. Exceptional compensation for 2019

Carlos Tavares and Michael Lohscheller are entitled to exceptional compensation in connection with the implementation and results of the Opel Vauxhall "PACE!" recovery plan.¹

As a result of their achieving the applicable 2019 targets, exceptional compensation in the amount of €1,250,000 and €250,000 was awarded by the Peugeot SA Supervisory Board to Carlos Tavares and Michael Lohscheller, respectively.

¹As with Carlos Tavares, exceptional compensation relating to the implementation of the "PACE!" plan was introduced for Michael Lohscheller in his capacity as Chief Executive Officer of Opel Automobiles GmbH and, in that regard, as a key contributor to the success of the plan. This compensation is provided for in the employment contract between Opel Automobiles GmbH and Michael Lohscheller.

COMPENSATION POLICY APPLICABLE TO THE MANAGING BOARD MEMBERS IN RESPECT OF 2020

2020 compensation

The Supervisory Board has decided on the 2020 compensation policy for members of the Managing Board, which will be submitted to the approval of the Annual Shareholders' Meeting on May 14, 2020. The compensation policy provides for the following:

- **Fixed compensation**

The Supervisory Board has decided to revise the amount of fixed annual compensation awarded to members of the Managing Board to ensure competitiveness with regard to the compensation practices of global automotive companies and the increased complexity of the Managing Board members' responsibilities in connection with the FCA merger project.

In 2020, fixed compensation will amount to: €1,700,000 for Carlos Tavares (Chairman of the Managing Board), €580,000 for Olivier Bourges, €800,000 for Maxime Picat and €800,000 for Michael Lohscheller.

- **Variable compensation**

In 2020, target variable compensation as a percentage of fixed compensation represents 170% for the Chairman of the Managing Board, 125% for Olivier Bourges and Maxime Picat and 100% for Michael Lohscheller.

The variable compensation payable to the Managing Board members will be calculated based on (i) collective Group targets, for 80% of the target variable portion; and (ii) individual annual performance targets for each of the Managing Board members, for 20% of the target variable portion.

The Supervisory Board has decided to continue to reward outperformance, in the event that collective Group targets are exceeded. Starting in 2020, variable compensation may represent up to 250% of fixed compensation for the Chairman of the Managing Board, up to 147% for Olivier Bourges and Maxime Picat and up to 200% for Michael Lohscheller.

Payment of this compensation will be subject to the approval of the Annual Shareholders' Meeting.

- **Long-term compensation (2020 LTI Plan)**

The Supervisory Board has decided to authorize the implementation of a new performance share plan in 2020. The shares awarded under the plan will vest after a period of three years, subject to the achievement of three ambitious performance conditions and continued employment with the Group.

As part of this plan, the Supervisory Board has decided to award shares to each member of the Managing Board, in an amount representing – on the award date – a maximum of 60% of their fixed and variable compensation, with the exception of Michael Lohscheller, for whom the amount was set at €1,000,000 on the award date.

- **Exceptional compensation**

The Supervisory Board intends to include the members of the Managing Board in a retention plan designed to reward Group employees identified as playing a key role in the success of the merger between Groupe PSA and FCA.

This exceptional compensation will be awarded to Olivier Bourges, Chairman of the Managing Board, subject to the completion of the merger between the two groups in the conditions previously set out by the Supervisory Board with regard to Groupe PSA's best corporate interests.

The exceptional compensation awarded to Michael Lohscheller and Maxime Picat will include a first portion connected to the completion of the transaction and a second portion payable one year after the completion of the merger, in both cases subject to the conditions previously set out by the Supervisory Board with regard to Groupe PSA's best corporate interests.

All retention plan beneficiaries must still be employed by the Group one year after the completion of the transaction and meet demanding performance conditions that are separate from the conditions governing their annual variable and long-term compensation.

Note also that Carlos Tavares and Michael Lohscheller were awarded exceptional compensation in connection with the implementation and the results of the Opel Vauxhall "PACE!" recovery plan, the last portion of which will be determined by the Supervisory Board after 2020 draws to a close.

Payment of exceptional compensation under the retention plan will be subject to the approval of the Annual Shareholders' Meeting.

- [Pension system](#)

The pension system introduced in 2016 will remain unchanged in 2020.

Under his employment contract, Michael Lohscheller is entitled to receive benefits under a defined benefit pension plan set up at Opel Automobiles GmbH.

- [Other compensation or benefits](#)

The only benefits in kind provided to the Managing Board members are a company car and medical insurance.

Governance practices, performance targets and all components of compensation for the Managing Board members will be discussed in detail in the 2020 Universal Registration Document.