VALNEVA

A European Company (*Societas Europaea*) with a Management and a Supervisory Board
Share capital: €11,816,042.64
Registered offices: 6 rue Alain Bombard, 44800 Saint-Herblain (France)
Nantes Companies Register (R.C.S.) No. 422 497 560

CORPORATE GOVERNANCE REPORT BY THE SUPERVISORY BOARD

(ARTICLE L. 225-68 OF THE FRENCH COMMERCIAL CODE)

To the Shareholders,

In accordance with the provisions of article L. 225-68, subsection 7 of the French Commercial code, we hereby report to you on:

- the composition of the Company's Management Board and Supervisory Board, as well as their respective offices and positions exercised in any company other than Valneva SE;
- the conditions for the preparation and organization of the work of the Supervisory Board for the fiscal year ended December 31, 2018;
- the authorizations for capital increases;
- the limitations imposed on the powers of the Managing Director by the Supervisory Board;
- the agreements entered into between a corporate officer or a shareholder holding more than 10% of the voting rights of the Company, and a subsidiary (excluding ordinary agreements);
- the remuneration of the Management and Supervisory Board members, as well as their shareholding in the Company's share capital;
- the factors likely to have an impact in case of a public offering; and
- the special procedures relating to the participation of shareholders in the General Meeting.

In addition, the Supervisory Board adopted in 2010 the Corporate Governance Code for small and mid-caps, as published in December 2009 by MiddleNext and updated on September 14, 2016. The Company applies most of the recommendations of this Code. This Report indicates those recommendations which the Company does not apply and the reasons thereof, according to the "comply or explain" principle.

Finally, this Report contains our observations on the Annual Management Report issued by the Management Board of the Company and on the financial statements for the fiscal year 2018.

This Report was approved by the Supervisory Board on March 20, 2019.

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Valneva SE (hereinafter the "**Company**", and together with its subsidiaries "**the Group**", "**Valneva Group**" or "**Valneva**") is a European company focusing on vaccines, striving to become a leader in its field.

TABLE OF CONTENTS

1. MANAGEMENT AND SUPERVISORY BOARD MEMBERS 4
1.1. Management Board 4
1.2. Supervisory Board 4
1.3. Rules governing the management and supervisory bodies 10
1.4. Absence of conflicts of interests and previous convictions, non-accumulation of appointments 21
2. CONDITIONS OF PREPARATION AND ORGANIZATION OF THE WORK OF THE SUPERVISORY BOARD FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018 32
2.1. Holding of the Supervisory Board meetings and attendance rate 33
2.2. Notification of meetings to Supervisory Board members and Statutory Auditors 34
2.3. Purpose of meetings 34
2.4. Evaluation of the work of the Supervisory Board 35
2.5. Committees 35
2.5.1. Nomination and Compensation Committee 35
2.5.2. Audit and Governance Committee 37
2.5.3. Strategy Committee 38
2.5.4. Scientific Committee 39
3. AUTHORIZATIONS FOR CAPITAL INCREASES 39
4. LIMITATIONS IMPOSED ON THE POWERS OF THE MANAGING DIRECTOR BY THE SUPERVISORY BOARD 39
5. AGREEMENTS ENTERED INTO BETWEEN A CORPORATE OFFICER OR A SHAREHOLDER HOLDING MORE THAN 10% OF THE VOTING RIGHTS OF THE COMPANY, AND A SUBSIDIARY (EXCLUDING ORDINARY AGREEMENTS) 40
6. REMUNERATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS - SHAREHOLDING 40
6.1. Principles and criteria for setting, allocating and granting the remuneration 41
6.1.1. Principles and criteria applicable to the Management Board 41
6.1.2. Principles and criteria applicable to the Supervisory Board 44
6.1.3. Draft resolutions of the Ordinary General Meeting of June 28, 2018, following the “Say on Pay” principle 45
6.2. Remuneration granted during the year ended December 31, 2018 45
6.2.1. Remuneration granted to the Management Board 47
6.2.2. Remuneration granted to the Supervisory Board members 53
6.3. Shareholding of the Management and Supervisory Board members in the share capital of the Company 84
6.3.1. Share capital held by the Management and Supervisory Board members 84
6.3.2. Corporate officers’ dealings on the Company’s securities 86
7. FACTORS LIKELY TO HAVE AN IMPACT IN CASE OF A PUBLIC OFFERING 86
7.1. Structure of the Company’s share capital at December 31, 2018 86

7.2. Restrictions under the Articles of Association on the exercise of voting rights or the transfer of shares; clauses of agreements brought to the attention of the Company in accordance with article L. 233-11 of the French Commercial code 88

7.2.1. Restrictions under the Articles of Association on voting rights held by shareholders in General Meetings 88

7.2.2. Clause of Articles of Association providing for restrictions on transfer of the Company's shares 89

7.2.3. Clauses of agreements brought to the attention of the Company in accordance with article L. 233-11 of the French Commercial code 89

7.3. Direct or indirect shareholdings in the share capital of the Company, of which the Company has been informed in accordance with articles L. 233-7 and L. 233-12 of the French Commercial code 88

7.4. List of all security holders with special control rights; description of said rights 90

7.5. Control mechanisms provided for in a potential employee stock ownership system, where control rights are not exercised by the latter 92

7.6. Shareholders agreements known to the Company and which may result in share transfer and voting rights restrictions 93

7.7. Rules and regulations for the appointment and replacement of Management Board members, or modifications to the Company's Articles of Association 94

7.8. Powers of the Management Board in particular for the issuance and buyback of shares 95

7.8.1. Current delegations in connection with stock options and free shares 95

7.8.2. Current authorizations related to share buyback programs and cancellation of shares of the Company 96

7.8.3. Other current delegations 97

7.9. Agreements executed by Valneva that may be modified or terminated in the event of a change in control of the Company 99

7.10. Agreements providing for indemnities to Management Board members or employees in the event of resignation, dismissal without just and sufficient cause, or termination of employment resulting from a public offering 99

8. SPECIAL PROCEDURES FOR THE PARTICIPATION OF SHAREHOLDERS IN GENERAL MEETINGS 99

9. TABLE OF MIDDLENEXT RECOMMENDATIONS NOT FULLY IMPLEMENTED 100

10. OBSERVATIONS OF THE SUPERVISORY BOARD ON THE ANNUAL MANAGEMENT REPORT AND THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR 2017 100

1. MANAGEMENT AND SUPERVISORY BOARD MEMBERS

1.1. Management Board

The Company's Management Board is currently composed of the following members:

Mr. Thomas Lingelbach
Chairman of Valneva SE's Management Board - President & CEO (55 years old)

***

Appointed on May 10, 2013
End of term of office at the Ordinary General Meeting
called to rule on the accounts for the fiscal year ending December 31, 2021

Offices and positions currently exercised in any company other than Valneva SE[1]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
Valneva France SAS *Membre du comité de supervision* (Supervisory Board member) Since February 2019	-
Companies incorporated under and governed by the law of other countries	
Grätzelmixer GmbH *Geschäftsführer* Since September 2017	**Elatos GmbH** *Geschäftsführer* From December 2013 to October 2015
Valneva UK Limited Director Since October 2015	
Valneva Sweden AB Chair of the Board Since February 2015	
Valneva Canada Inc. Member of the Board of Directors Since January 2015	
Vaccines Holdings Sweden AB Chair of the Board Since December 2014	
Valneva Austria GmbH *Geschäftsführer* Since August 2013	
Valneva USA Inc. (formerly named "Intercell USA Inc.") President & CEO Since November 2012 ——— Director Since August 2008	
Valneva Scotland Ltd. Director Since December 2006	
Other positions	
Hookipa Biotech GmbH Chair of CMC (Chemicals Manufacturing and Controls) Advisory Board Since January 2019	

[1] Current listed companies are indicated by (*).

Mr. Franck Grimaud
Member of Valneva SE's Management Board - President & CBO (52 years old)

***
Appointed on May 10, 2013
End of term of office at the Ordinary General Meeting
called to rule on the accounts for the fiscal year ending December 31, 2021

Offices and positions currently exercised in any company other than Valneva SE[2]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
Valneva France SAS *Président* (President) Since February 2019 **Blink Biomedical SAS** *Membre du comité de supervision* (Supervisory Board member) Since January 2015	-
Companies incorporated under and governed by the law of other countries	
Valneva Scotland Ltd. Director Since June 2017 **Valneva USA Inc.** (formerly named "Intercell USA Inc.") Director Since December 2015 ——— Deputy CEO Since December 2015 **Valneva UK Limited** Director Since October 2015 **Valneva Sweden AB** Board member Since February 2015 **Valneva Canada Inc.** Member of the Board of Directors Since January 2015 ——— President Since January 2015 **Vaccines Holdings Sweden AB** Board member Since December 2014 ——— Managing Director Since December 2014 **Valneva Austria GmbH** *Geschäftsführer* (Managing Director) Since August 2013 **Valneva Toyama Japan K.K.** (Company liquidated on December 17, 2018) Representative Director & President Since April 2011	**Grimaud (Deyang) Animal Health Co Ltd.** Board member From September 2000 to February 2019 **Chengdu Grimaud Breeding Farm Co Ltd.** Board member From January 2000 to July 2018

[2] Current listed companies are indicated by (*).

Mr. Franck Grimaud
Member of Valneva SE's Management Board - President & CBO

***

Appointed on May 10, 2013
End of term of office at the Ordinary General Meeting
called to rule on the accounts for the fiscal year ending December 31, 2021

Offices and positions currently exercised in any company other than Valneva SE	**Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)**

Other positions

Fonds Pays de la Loire Participations
Chairman of the Governing Board
(*Président du Conseil de direction)*
Since September 2016

Atlanpole Biothérapies
President *(Président)*
Since February 2018

Board member (*Administrateur*)
Since January 2015

Atlanpole Biothérapies
Treasurer (*Trésorier*)
January 2015 to February 2018

Board member and Vice-President
(*Administrateur et Vice-Président*)
From January 2012 to December 2014

Mr. Frédéric Jacotot
Member of Valneva SE's Management Board -
General Counsel & Corporate Secretary (55 years old)

***

Appointed on March 21, 2017 (with effect as from April 1, 2017)
End of term of office at the Ordinary General Meeting
called to rule on the accounts for the fiscal year ending December 31, 2021

Offices and positions currently exercised in any company other than Valneva SE[3]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
Valneva France SAS *Membre du comité de supervision* (Supervisory Board member) Since February 2019	-
Companies incorporated under and governed by the law of other countries	
Valneva Sweden AB Board member Since June 2017 **Vaccines Holdings Sweden AB** Board member Since June 2017 **Valneva Austria GmbH** *Geschäftsführer* (Managing Director) Since September 2017	-

[3] Current listed companies are indicated by (*).

Mr. David Lawrence
Member of Valneva SE's Management Board - Chief Financial Officer (56 years old)

***

Appointed on August 1, 2017 (with effect as from August 7, 2017)
End of term of office at the Ordinary General Meeting
called to rule on the accounts for the fiscal year ending December 31, 2021

Offices and positions currently exercised in any company other than Valneva SE[4]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
Valneva France SAS *Membre du comité de supervision* (Supervisory Board member) Since February 2019	-
Companies incorporated under and governed by the law of other countries	
Valneva Sweden AB Board member Since November 2017	**Redx Pharma Plc** (*) Director From May 2016 to August 2017
Vaccines Holdings Sweden AB Board member Since November 2017	**Agprome Ltd.** Director From June 2014 to December 2014
Valneva USA Inc. (formerly named "Intercell USA Inc.") Director Since November 2017	**Synpromics Agbiosub Ltd.** Director From July 2013 to September 2015
Valneva Canada Inc. Member of the Board of Directors Since November 2017	**Ambicare Health Ltd.** Director From June 2009 to September 2014
Valneva Scotland Ltd. Director Since October 2017	
Valneva Austria GmbH *Geschäftsführer* (Managing Director) Since August 2017	
Synpromics Ltd. Director Since May 2012	
Stuart & Muir Consulting Ltd. Director Since December 2011 ——— Secretary Since December 2011	

[4] Current listed companies are indicated by (*).

Mr. Wolfgang Bender
Member of Valneva SE's Management Board - Chief Medical Officer (65 years old)

***

Appointed on August 1, 2017 (with effect as from September 1, 2017)
End of term of office at the Ordinary General Meeting
called to rule on the accounts for the fiscal year ending December 31, 2021

Offices and positions currently exercised in any company other than Valneva SE[5]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
Valneva France SAS *Membre du comité de supervision* (Supervisory Board member) Since February 2019	-
Companies incorporated under and governed by the law of other countries	
Valneva Sweden AB Board member Since November 2017 **Valneva Austria GmbH** *Geschäftsführer* (Managing Director) Since September 2017 **Valneva UK Limited** Director Since October 2017 **LB Life Sciences Consulting** Senior Consultant Since April 2014 (Dormant since September 1, 2017)	-

The business address of Messrs. Franck Grimaud and Frédéric Jacotot is located at: Valneva SE, 6 rue Alain Bombard, 44800 Saint-Herblain (France).

The business address of Messrs. Thomas Lingelbach and Wolfgang Bender is located at: Valneva Austria GmbH, Campus Vienna Biocenter 3, 1030, Vienna (Austria).

The business address of Mr. David Lawrence is located at: Valneva Scotland Ltd., Oakbank Park Road, Livingston EH53 0TG (Scotland).

[5] Current listed companies are indicated by (*).

1.2. Supervisory Board

The Company's Supervisory Board is currently composed of the following members:

Mr. Frédéric Grimaud
Chairman of Valneva SE's Supervisory Board (54 years old)

***

Appointed by the Extraordinary General Meeting of December 12, 2012
Term of office ending at the Ordinary General Meeting
called to approve the annual financial statements for the fiscal year ending December 31, 2018

Independent	Audit and Governance Committee	Nomination and Compensation Committee	Scientific Committee	Experience and expertise
No	-	-	-	-

Offices and positions currently exercised in any company other than Valneva SE[6]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
Filavie SAS Chair of the Board (*Président du conseil d'administration*) Since July 2017 **Genesis Investment SAS** Supervisory Board member (*Membre du conseil de surveillance*) Since March 2016 **Choice Genetics SAS** Nomination and compensation committee member (*Membre du Comité de nomination et rémunération*) Since November 2014 **Pen Ar Lan SA** Chair of the Board (*Président du conseil d'administration*) Since November 2011 **La Couvée SAS** Management and Steering Committee member (*Membre du Comité de pilotage et de direction*) Since June 2005 **Groupe Grimaud La Corbière SA** Chairman of the Management Board (*Président du directoire*) Since June 2004 **Permanent representative of the company Groupe Grimaud La Corbière SA**, in its capacity as of President of the company **Vital Meat SAS** Since December 2018 **Permanent representative of the company Groupe Grimaud La Corbière SA**, in its capacity as of President of the company **Galor SAS** Since December 2015 **Permanent representative of the company Grimaud Frères Holding SAS**, in its capacity as of President of the company **Grimaud Frères Sélection SAS** Since December 2015 **Permanent representative of the company Groupe Grimaud La Corbière SA**, in its capacity as of President of the company **Hubbard Holding SAS** Since December 2015 **Permanent representative of the company Groupe Grimaud La Corbière SA**, in its capacity as of President of the company **Hypharm SAS** Since December 2015	**Permanent representative of the company Grimaud Frères Holding SAS**, in its capacity as of President of the company **Les élevages de la Fronière SAS** From July 2015 to December 2018 **Permanent representative of the company Groupe Grimaud La Corbière SA**, in its capacity as of President of the company **Choice Genetics SAS** From December 2015 to January 2018 **Permanent representative of the company Hubbard Holding SAS**, in its capacity as of President of the company **Hubbard SAS** From February 2013 to February 2018 **Choice Genetics SAS** Chairman of the Board (*Président du conseil d'administration*) From October 2014 to December 2015 ——— President (*Président*) From January 2008 to December 2015 **Galor SAS** President (*Président*) From November 2013 to December 2015 **Blue Genetics Holding SAS** President (*Président*) From May 2013 to December 2015 **Novogen SAS** President (*Président*) From July 2008 to December 2015 **Hubbard Holding SAS** President (*Président*) From April 2005 to December 2015 **Grimaud Frères Sélection SAS** President (*Président*) From November 2002 to December 2015 **Hypharm SAS** President (*Président*) From November 2002 to December 2015 **Filavie SAS** President (*Président*) From November 2002 to December 2015

[6] Current listed companies are indicated by (*).

Mr. Frédéric Grimaud
Chairman of Valneva SE's Supervisory Board

***

Appointed by the Extraordinary General Meeting of December 12, 2012
Term of office ending at the Ordinary General Meeting
called to approve the annual financial statements for the fiscal year ending December 31, 2018

Offices and positions currently exercised in any company other than Valneva SE	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law (continued)	
Permanent representative of the company Groupe Grimaud La Corbière SA, in its capacity as of President of the company **Filavie SAS** Since December 2015	**Permanent representative of the company Groupe Grimaud La Corbière SA**, in its capacity as of Supervisory Board member of the company **France Food Alliance SAS** From November 2007 to July 2014
Permanent representative of the company Groupe Grimaud La Corbière SA, in its capacity as of Chair of the Board of the company **Choice Genetics SAS** Since December 2015	
Permanent representative of the company Groupe Grimaud La Corbière SA, in its capacity as of President of the company **Novogen SAS** Since December 2015	
Permanent representative of the company Groupe Grimaud La Corbière SA, in its capacity as of President of the company **Blue Genetics Holding SAS** Since December 2015	
Permanent representative of the company Groupe Grimaud La Corbière SA, in its capacity as of President of the company **Grimaud Frères Holding SAS** Since December 2014	
Companies incorporated under and governed by the law of other countries	
Novogen NA Inc. Chair of the Board Since September 2017	**Hubbard Polska Sp Zoo** Supervisory Board member From 2006 to February 2018
Hubbard UK Ltd. Director Since September 2017	**Blue Genetics Vietnam** Chairman of the Council From July 2014 to January 2018
Blue Genetics Mexico Chair of the Board Since July 2013	**Hubbard LLC** Chair of the Board From March 2005 to December 2017
Choice Genetics Vietnam Chairman of the Council Since January 2013	**Ovogenetics Holding BV** Director From December 2014 to May 2016
Grimaud Vietnam Company Limited President Since June 2009	**Grimaud Vietnam Company Limited** Chairman of the Management Committee From August 2011 to October 2014
Choice Genetics USA LLC Board member Since May 2008	
Grimaud (Putian) Breeding Farm Co Ltd. Chair of the Board Since December 2000	
Grimaud (Deyang) Animal Health Co Ltd. Chair of the Board Since November 2000	
Grimaud Italia SRL Board member Since 2000	
Chengdu Grimaud Breeding Farm Co Ltd. Chair of the Board Since October 1996	

Mr. Alain Munoz
Member of Valneva SE's Supervisory Board (69 years old)

***

Appointed by the Extraordinary General Meeting of December 12, 2012
Term of office ending at the Ordinary General Meeting
called to approve the annual financial statements for the fiscal year ending December 31, 2018

Independent	Audit and Governance Committee	Nomination and Compensation Committee	Scientific Committee	Experience and expertise
Yes	-	Chairman	Member	Research and development

Offices and positions currently exercised in any company other than Valneva SE[7]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
Hybrigenics SA (*) Board member (*Administrateur*) Since July 2017 President of the Strategic Committee *(Président du Comité stratégique)* Since July 2017 **SARL Science, Business and Management** Managing Director (*Gérant*) Since 2000	**Hybrigenics SA** (*) Chair of the Board (*Président du conseil d'administration*) From June 2015 to July 2017 Board member (*Administrateur*) From October 2011 to June 2015 **Medesis Pharma SA** Supervisory Board member (*Membre du conseil de surveillance)* From October 2009 to September 2014 **Erytech SA** (*) Supervisory Board member (*Membre du conseil de surveillance)* **Genticel SA** Supervisory Board member (*Membre du conseil de surveillance)* From March 2010 to December 2015
Companies incorporated under and governed by the law of other countries	
Oxthera AB Supervisory Board member Since May 2018 **Auris Medical Holding AG** (*) Supervisory Board member Since March 2018 **Zealand pharma A/S** (*) Supervisory Board member Since November 2007	**Oxthera AB** Supervisory Board member From February 2015 to December 2016 **Auris Medical Holding AG** (*) Supervisory Board member From December 2007 to April 2015

[7] Current listed companies are indicated by (*).

Mr. Ralf Clemens
Member of Valneva SE's Supervisory Board (66 years old)

***

Appointed by the Extraordinary General Meeting of June 30, 2016
Term of office ending at the Ordinary General Meeting
called to approve the annual financial statements for the fiscal year ending December 31, 2018

Independent	Audit and Governance Committee	Nomination and Compensation Committee	Scientific Committee	Experience and expertise
Yes	-	-	Chairman	Experience as an executive in the vaccine industry, in particular in the area of Development

Offices and positions currently exercised in any company other than Valneva SE[8]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
-	-
Companies incorporated under and governed by the law of other countries	
Icosavax Ltd. Clinical Development Consultant Since January 2018 **CureVac AG** Supervisory Board member Since March 2016 Chairman of the Scientific Advisory Board Since July 2015 **GRID Europe Vaccine Consulting** Founder and Managing Director Since 2015	**Takeda Pharmaceutical Company Ltd.** (*) Senior Vice President and Head of Development Vaccines From September 2012 to March 2015
Other positions	
International Vaccine Institute Member of the Board of Trustees Since February 2018 **Global Health Innovative Technology Fund** Member of the Scientific Selection Committee Since 2016 **African Research Excellence Fund** Board Member Since 2017 **Bill & Melinda Gates Foundation** Senior Advisor Vaccines Since March 2012	**International Vaccine Institute** Chairman of the Scientific Advisory Group From 2016 to November 2018 **AERAS** Member of the Scientific advisory group From 2014 to 2018 **African Research Excellence Fund** Member of the External advisory panel Since 2015 to 2017

[8] Current listed companies are indicated by (*).

Mr. James Sulat
Vice-Chairman of Valneva SE's Supervisory Board (68 years old)

***

Appointed by the Extraordinary General Meeting of March 7, 2013
Term of office ending at the Ordinary General Meeting
called to approve the annual financial statements for the fiscal year ending December 31, 2018

Independent	Audit and Governance Committee	Nomination and Compensation Committee	Scientific Committee	Experience and expertise
Yes	Chairman	-	-	Finance, Strategy, Capital Markets and Corporate Governance

Offices and positions currently exercised in any company other than Valneva SE[9]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
-	-
Companies incorporated under and governed by the law of other countries	
Arch Therapeutics, Inc. (*) Member of the Board of Directors Since August 2015 **AMAG Pharmaceuticals, Inc.**(*) Member of the Board of Directors Since April 2014 Audit Committee member Since April 2014 Transactions Committee member Since April 2014 **Momenta Pharmaceuticals Inc.**(*) Member of the Board of Directors Since June 2018 Audit Committee member Since June 2008 Nominations and Corporate Governance Committee member Since June 2008	**Momenta Pharmaceuticals Inc.**(*) Chairman of the Board of Directors From December 2008 to June 2018 **Tolero Pharmaceuticals, Inc.** Member of the Board of Directors From May 2015 to January 2017 **DiaDexus, Inc.** Member of the Board of Directors From January 2015 to June 2016 Chairman of the Audit Committee From January 2015 to June 2016 Nominations and Corporate Governance Committee member January 2015 to June 2016

[9] Current listed companies are indicated by (*).

Ms. Louisa Shaw-Marotto
Member of Valneva SE's Supervisory Board (50 years old)

***

Appointed by the Extraordinary General Meeting of June 30, 2016
Term of office ending at the Ordinary General Meeting
called to approve the annual financial statements for the fiscal year ending December 31, 2018

Independent	Audit and Governance Committee	Nomination and Compensation Committee	Scientific Committee	Experience and expertise
Yes[10]	Member	-	-	Expertise as a commercial executive in the vaccine industry with U.S. and global marketing experience

Offices and positions currently exercised in any company other than Valneva SE[11]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
-	-
Companies incorporated under and governed by the law of other countries	
Executive Perspective Consulting LLC President Since July 2014	-
Other positions	
Rutgers University Advisory Board Member Since May 2017	

[10] Since June 27, 2018.
[11] Current listed companies are indicated by (*).

Mr. Alexander Von Gabain
Member of Valneva SE's Supervisory Board (68 years old)

***

Appointed by the Extraordinary General Meeting of March 7, 2013
Term of office ending at the Ordinary General Meeting
called to approve the annual financial statements for the fiscal year ending December 31, 2018

Independent	Audit and Governance Committee	Nomination and Compensation Committee	Scientific Committee	Experience and expertise
Yes	-	Member	Member	R&D in molecular medicine and biotechnology Co-Founder and former CEO of Intercell Build-up of innovation incubators and ecosystems

Offices and positions currently exercised in any company other than Valneva SE[12]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
-	-
Companies incorporated under and governed by the law of other countries	
Eveliqure Biosciences, GmbH, Vienna Member of the Advisory Board Since April 2017 **Business incubator of the Viennese Universities, INiTS Universitäres Gründerservice Wien GmbH** Chairman of the Supervisory Board Since April 2007	**Karolinska Institutet Holding AB** Chairman of the Supervisory Board From January 2015 to April 2017
Other positions	
Paul Ehrlich Institute, PEI Member of the Scientific Advisory Board Since May 2017 **EIT Health** Chairman of the Supervisory Board Since September 2017	**Max Perutz Laboratories, Vienna University** Professor and Chair of Microbiology From January 1993 to September 2018 **EIT Health** Member of the Supervisory Board From January 2015 to August 2017 **Karolinska Institutet** Deputy Vice-Chancellor From August 2014 to July 2017 **European Institute of Innovation and Technology** Chairman of the Governing Board From February 2011 to July 2014

[12] Current listed companies are indicated by (*).

Ms. Anne-Marie Graffin
Member of Valneva SE's Supervisory Board (57 years old)

***

Appointed by the Extraordinary General Meeting of March 7, 2013
Term of office ending at the Ordinary General Meeting
called to approve the annual financial statements for the fiscal year ending December 31, 2018

Independent	Audit and Governance Committee	Nomination and Compensation Committee	Scientific Committee	Experience and expertise
Yes	-	Member	-	Experience as an executive in the vaccine industry

Offices and positions currently exercised in any company other than Valneva SE[13]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
Nanobiotix SA (*) Supervisory Board member (*Membre du conseil de surveillance*) Since January 2014 **Sartorius Stedim Biotech SA** (*) Board member (*Administrateur*) Since Avril 2015 **SARL SMAG Consulting** Managing Director (*Gérant*) Since September 2011	-
Companies incorporated under and governed by the law of other countries	
-	**Themis Bioscience GmbH** Board member From July 2012 to January 2015

[13] Current listed companies are indicated by (*).

Ms. Maïlys Ferrere
Permanent representative of Bpifrance Participations SA,
In its capacity as member of Valneva SE's Supervisory Board (56 years old)

***

Appointed by the Extraordinary General Meeting of June 30, 2016
Term of office ending at the Ordinary General Meeting
called to approve the annual financial statements for the fiscal year ending December 31, 2018

Independent	Audit and Governance Committee	Nomination and Compensation Committee	Scientific Committee	Experience and expertise
No	Member	-	-	-

Offices and positions currently exercised in any company other than Valneva SE[14]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
Innate Pharma (*) Permanent representative of the company Bpifrance Participations SA, in its capacity as of Supervisory Board member Since June 2017 **SEQUANS Communications SA** (*) Board member Since June 2017 **DBV Technologies SA** (*) Board member (*Membre du conseil d'administration*) Since June 2016 **Euronext Paris SA** Board member (*Membre du conseil d'administration*) Since January 2016	**Gensight Biologics SA** (*) Permanent representative of the company Bpifrance Participations SA, in its capacity as of Board member From July 2016 to June 2017 **Pixium Vision SA** (*) Permanent representative of the company Bpifrance Participations SA, in its capacity as of Board member From June 2015 to June 2017 **Groupe Grimaud La Corbière SA** Permanent representative of the company Bpifrance Participations SA, in its capacity as of Board member From February 2011 to June 2014 **Groupe Limagrain Holding SA** Board member (*Membre du conseil d'administration*) From March 2010 to April 2014
Companies incorporated under and governed by the law of other countries	
-	-

[14] Current listed companies are indicated by (*).

Mr. Balaji Muralidhar
Member of Valneva SE's Supervisory Board (39 years old)

***

Appointed by the Extraordinary General Meeting of June 29, 2017
Term of office ending at the Ordinary General Meeting
called to approve the annual financial statements for the fiscal year ending December 31, 2019

Independent	Audit and Governance Committee	Nomination and Compensation Committee	Scientific Committee	Experience and expertise
No	-	Member	-	-

Offices and positions currently exercised in any company other than Valneva SE[15]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
-	-
Companies incorporated under and governed by the law of other countries	
Providence Medical Technology, Inc. Observer of the Supervisory Board Since 2016 **Zipline Medical, Inc.** Board member Since 2015 **Onbone Oy** Board member Since 2014 **Wilson Therapeutics AB** Board member Since 2014 **MVM Life Science Partner LLP** Partner Since 2012	

[15] Current listed companies are indicated by (*).

Ms. Sandra E. Poole
Member of Valneva SE's Supervisory Board (55 years old)

***

Appointed by the Extraordinary General Meeting of June 29, 2017
Term of office ending at the Ordinary General Meeting
called to approve the annual financial statements for the fiscal year ending December 31, 2019

Independent	Audit and Governance Committee	Nomination and Compensation Committee	Scientific Committee	Experience and expertise
Yes	Member	-	-	Experience as a product development and manufacturing executive in biotech and biopharma

Offices and positions currently exercised in any company other than Valneva SE[16]	Offices and positions previously exercised in any company other than Valneva SE (including on the last 5 fiscal years)
Companies incorporated under and governed by French law	
-	-
Companies incorporated under and governed by the law of other countries	
LogicBio Therapeutics Inc. *COO* Since April 2018 - End of office on March 31, 2019 **S. Poole Consulting, LLC** Managing Director Since August 2016	**ImmunoGen Inc.** (*) Executive Vice-President, Technical Operations and Commercial Development From October 2016 to January 2017 Executive Vice-President, Technical Operations From July 2015 to October 2016 Senior Vice-President, Technical Operations From September 2014 to June 2015 **Genzyme (a Sanofi company)** Senior Vice President, Biologics Manufacturing From June 2013 to September 2014

[16] Current listed companies are indicated by (*).

The business address of the Supervisory Board members is the registered office of the Company: 6 rue Alain Bombard, 44800 Saint-Herblain (France).

Employee-elected Supervisory Board members

None.

Non-voting Observer (Censeur)

None. Mr. Balaji Muralidhar was a non-voting Observer until his appointment to the Supervisory Board of the Company.

Cooptations

None.

Number of qualifying shares to be held by each Supervisory Board member

None.

1.3. Rules governing the management and supervisory bodies

(a) Rules governing the Management Board

Membership (Article 14 of the Articles of Association)

The Company is directed by a Management Board, which carries out its duties under the control of the Supervisory Board.

The Management Board shall be composed of two to at most seven members, appointed by the Supervisory Board.

On penalty of nullity of appointment, the members of the Management Board shall be natural persons. They may be chosen from outside the shareholders.

If a member of the Supervisory Board is appointed to the Management Board, his mandate on the former Board shall end as soon as he takes up his position.

The members of the Management Board shall be appointed by the Supervisory Board; they shall be dismissed by the Ordinary General Meeting or by the Supervisory Board.

If the dismissal is decided without just cause, it may give rise to damages.

In the event that the concerned party has concluded an employment agreement with the Company, the revoking of his functions as a member of the Management Board shall not have the effect of terminating this agreement.

The Management Board shall be appointed for a period of three (3) years, ending on the date of the General Meeting convened to decide on the financial statements for the past financial year and held during the year in which the mandate expires, on expiry of which, it shall be entirely renewed. In the event of a vacancy, the Supervisory Board shall make provision within two months for the filling of the vacant position. A member of the Supervisory Board may be appointed by the Supervisory Board to exercise the duties of a member of the Management Board for the remaining period until the renewal of the Management Board and up to six months. During this period, the duties of the party in question on the Supervisory Board shall be suspended.

The members of the Management Board shall all be re-electable.

The age limit for the exercise of functions of the members of the Management Board shall be set at seventy (70). A member of the Management Board in office shall be considered to have resigned at the end of the financial year during which he reaches this age.

The Supervisory Board shall appoint one of the members of the Management Board as Chairman. The Chairman of the Management Board shall carry out his duties for the duration of his mandate as a member of the Management Board.

The Chairman of the Management Board may be dismissed by decision of the General Meeting or by the decision of the Supervisory Board, with a majority of the members of the Supervisory Board.

Management Board meeting (Article 14 of the Articles of Association)

The Management Board shall meet as often as the interests of the Company demand, on convening by its Chairman, its Managing Director or by at least half of its members, at the registered office of the Company or at any other location indicated in the convening notice; it may be convened by any means, including by e-mail or even verbally. The agenda must appear in the convening notice but may be supplemented at the time of the meeting.

The Chairman of the Management Board shall chair the sessions and appoint a Secretary, who may be chosen from outside of its members. In the absence of the Chairman of the Management Board, the sessions shall be chaired by the Managing Director or failing that, by the member of the Management Board whom the Management Board has appointed for this purpose.

For decisions to be valid, at least half of the members must be present. If the Management Board includes two members, the decisions shall be taken unanimously. If it includes more than two members, decisions shall be taken by a majority of members present.

Each member of the Management Board shall have one voting right and the Chairman shall not have a casting vote in the event of a tied vote.

For the purposes of calculating the quorum and majority, members of the Management Board who take part in its meeting via conference call or telecommunications media, which permit their identification and guarantee their effective participation, the nature and conditions of application of which are determined by legislative and regulatory provisions in effect shall be considered to be present.

However, this procedure may not be used to establish the annual financial statements and management report, or to establish the consolidated accounts and management report for the Group, if it is not included in the annual report.

The Statutory Auditors shall be convened to all of the meetings of the Management Board which examine or draw up the annual or interim financial statements.

The decisions are confirmed by minutes drawn up in a special register and signed by the Chairman of the Management Board and another member of the Management Board who has taken part in the session. The minutes shall mention the name of the present or represented members and those of the absent members. Copies or extracts of these minutes shall be certified the Chairman of the Management Board, one of its members or any other person designated by the Management Board and during the liquidation period, by the liquidator.

The members of the Management Board may allocate the executive tasks among themselves with the authorization of the Supervisory Board, pursuant to article R. 225-39 of the French Commercial code. This allocation may in no case dispense the Management Board from meeting and deciding on the most important management issues of the Company nor have the effect of depriving the Management Board of its character as a body which provides the general management of the Company in a collective manner.

Remuneration of Management Board members (Article 14 of the Articles of Association)

The procedure for and amount of remuneration of each of the members of the Management Board shall be set by the Supervisory Board.

Responsibilities and powers of the Management Board (Article 15 of the Articles of Association)

The Management Board shall be assigned the most extensive powers for acting in all circumstances in the name of the Company and shall exercise these within the limits of the company object and subject to those expressly attributed by law to the Supervisory Board and to the General Meetings of shareholders and those which require the prior authorization of the Supervisory Board, as specified below.

Any limitation on the powers of the Management Board shall be unenforceable against third parties.

The Management Board shall convene the General Meetings of the shareholders, set their agenda and execute their decisions.

At least once a quarter, the Management Board shall submit a report to the Supervisory Board which retraces the principal actions or events occurring in the management of the Company.

After the closure of each financial year and within the following three (3) months, the Management Board shall submit the annual documents to the Supervisory Board, as well as all documents provided by law, for verification and control purposes. It shall propose the allocation of results for the past financial year.

The Chairman of the Management Board shall represent the Company in its relations with third parties. At the same time, the Supervisory Board shall be authorized to attribute the same power of representation to one or several members of the Management Board, for which each of them shall then have the title of Managing Director ("*Directeur Général")*.

The Supervisory Board may abolish this power of representation by withdrawing the role of Managing Director ("*Directeur Général")* from the member of the Management Board. The Company shall even be committed by the actions of the Chairman or one of the Managing Directors ("*Directeurs Généraux")* which do not relate to the Company object, unless it demonstrates that the third party was aware that this action exceeded this object or could not have been unaware of the same in view of the circumstances.

The stipulations limiting this power of representation are unenforceable against third parties.

The actions committing the Company with regard to third parties are validly executed with a single signature of any one of the members of the Management Board authorized to represent the Company, pursuant to the stipulations of this article.

The Management Board may entrust special, permanent or temporary missions which it determines to one or several of its members or to any other person and delegate the powers to them which it judges necessary for one or several given objects, with or without the power of subdelegation.

The Management Board shall examine and present the quarterly and half-yearly accounts to the Supervisory Board.

The Management Board shall decide or authorize the issuance of bonds under the conditions of article L. 228-40 of the French Commercial code, unless the General Meeting decides to exercise this power. The Management Board may delegate to its Chairman and, with the agreement of the same, to one or several of its members, the powers necessary for realizing the issuance of bonds, within a one-year deadline, and draw up the procedures for these.

The members of the Management Board, as well as any person convened on to attend its meetings shall be bound by secrecy with regard to information of a confidential character or which is presented as such.

Provisions of the Management Board's Rules of procedure

Rules of procedure of the Company's Management Board define the Management Board's duties of and its operating procedures, in accordance with the law and the Company's Articles of Association, as well as the corporate governance rules applicable to publicly traded companies.

The main provisions of the Management Board's Rules of procedure, as amended on April 9, 2018, are as follows:

Number of members - Meetings

Pursuant to the Articles of Association, there may be at least two members and no more than seven members of the Management Board.

The Management Board shall meet at least once each calendar month and written minutes of such meetings shall be prepared.

Powers and distribution

The Management Board has the most extensive powers for acting in all circumstances in the name of the Company and shall exercise these within the limits of the company object and subject to those expressly attributed by law to the Supervisory Board and to the General Meetings of shareholders, and those which require the prior authorization of the Supervisory Board, as specified in article 19 of the Company's Articles of Association.

Any limitation on the powers of the Management Board shall be unenforceable against third parties.

The members of the Management Board work to lead the Company. All powers of the Management Board are exercised collegially with joint and several liability.

However, pursuant to article R. 225-39 of the French Commercial code, and with the prior authorization of the Supervisory Board, the members of the Management Board divide the supervision of the business of the Company as follows:

- Thomas Lingelbach, Chairman of the Management Board - President & CEO:
  - Quality and Regulatory Compliance;
  - Global Human Resources;
  - Research - Pre-clinical R&D;
  - Technical Development;
  - Manufacturing - Manufacturing sites;
  - Supply Operations.

- Franck Grimaud, President & CBO:
  - Corporate Development;
  - Business Development;
  - Alliance Management;
  - Commercial Operations.

- David Lawrence, CFO:
  - Finance - Tax;
  - Investor Relations;
  - Corporate Communication;
  - IT.

- Wolfgang Bender, CMO:
  - Clinical Strategy and Operations;
  - Medical Affairs;

- Pharmacovigilance;
- Project Management.

+ Frédéric Jacotot, General Counsel & Corporate Secretary:
  - Corporate Secretary Affairs;
  - Corporate Compliance;
  - Legal:
  - IP.

In spite of such distribution, the individual actions of each member of the Management Board are deemed to have been collegially made. As such, all members of the Management Board are bound by these individual actions and jointly and severally liable for them.

At the monthly Management Board meetings, the Management Board has to be informed of the decisions made by those of its members who are responsible for supervising the particular business functions mentioned above.

Powers of the President & CEO and President & CBO

The President & CEO ("*Président du directoire*") represents the Company in its relations with third parties.

The Supervisory Board has decided to give the same power of representation to one member of the Management Board, who has the title of President & CBO ("*Directeur Général")*.

The Company shall be bound by the actions of the President & CEO ("*Président du directoire*") or President & CBO ("*Directeur Général")* which do not relate to the Company's business purpose, unless it demonstrates that the third party was aware that this action exceeded this business purpose or could not have been unaware of the same in view of the circumstances.

Delegation of Powers or Signing Authorities

The President & CEO ("*Président du directoire*") - Chairman of the Management Board - as well as the President & CBO ("*Directeur Général")* can convey their respective authority to another member of the Management Board or to any other person ("**the Agent**") to represent the Company *vis-à-vis* third parties in specific areas covered by the delegation, subject to the following conditions:

- the scope of the delegation of powers must be limited: they may not delegate all of his/their management powers. The terms of the delegation must, therefore, be specific and limited in nature;
- as a general rule, the Agent can bind the Company with respect to third parties only to the extent of the authority which was given to him.

Any agreement, contract or commitment (each an "**Agreement**") made on behalf of the Company must be agreed and signed by the President & CEO ("*Président du directoire*") and the President & CBO ("*Directeur Général*") unless such an Agreement represents a total value of less than €500,000, in which case:

- if such an Agreement represents a total value of more than €100,000, it may be signed by either one Management Board member and one Management Committee member, or alternatively by 2 Management Board members,
- if such an Agreement represents a total value of less than €100,000, it may be signed by 2 persons that are either Management Committee members or Management Board members.

Limitations on the powers of the President & CEO ("*Président du directoire*") or the President & CBO ("*Directeur Général*") shall be unenforceable against third parties.

Mutual Information

The members of the Management Board have a duty to mutually consult with each other about:

- the most important decisions made by the Management Board, or decisions made in the area of activity for which they are responsible within the Company, particularly actions intended to develop or adapt the business of the Company;
- More generally, all actions related to the implementation of the Company's general strategy shall be referred to the Management Board.

Reporting duty to the Supervisory Board

According to article L. 225-68, paragraph 4 of the French Commercial code, the Management Board shall quarterly submit to the Supervisory Board a written report on the Company's business activities.

The Management Board shall meet regularly, either in person or by telephone, with the Chairman of the Supervisory Board.

Confidentiality

In compliance with article L. 225-92 of the French Commercial code, all members of the Management Board or people attending Management Board meetings are bound by professional secrecy with respect to discussions and deliberations of such Board and any information they may receive in the course of their duties.

All members of the Management Board or people attending Management Board meetings are obligated not to disclose any such information outside the Management Board.

Compliance

All members of the Management Board or people attending Management Board meetings undertake to comply with the Valneva insider policy. All members of the Management Board are responsible for maintaining the commitments set forth in the Company's Code of Conduct in connection with all of the business conducted by themselves and by the functions reporting to them.

(b) Rules governing the Supervisory Board

Provisions of the Company's Articles of Association

Supervisory Board membership (Articles 16 and 17 of the Articles of Association)

The Supervisory Board consists of at least three (3) members and at most eighteen (18) members, appointed by the Ordinary General Meeting, subject to legal exemptions.

The members of the Supervisory Board, who are natural persons, must be aged less than eighty (80), subject to the following stipulations.

A legal person may be appointed as member of the Supervisory Board but must, under the conditions provided by the law, designate a natural person who shall be its permanent representative on the Supervisory Board. The permanent representatives must be aged less than eighty (80), subject to the following stipulations.

The duration of the functions of the members of the Supervisory Board is set at three (3) years (with one year understood as the interval between two consecutive Ordinary General Meetings), subject to the following stipulations.

The duration of the functions of any member of the Supervisory Board shall be limited to the remaining period until the annual Ordinary General Meeting, held in the year during which the member of the Supervisory Board in question reaches the age of eighty (80).

The members of the Supervisory Board shall be re-elected on one or several occasions, subject to the above stipulations concerning the age limit. They may be dismissed at any time by decision of the Ordinary General Meeting, under the conditions and pursuant to the procedures provided by law.

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Note: Legal specificities and Recommendations with respect to rules governing Supervisory Board membership

- Men-Women distribution within the Supervisory Board: the Company's Supervisory Board has four female members. At the date of this Corporate Governance Report, Valneva SE meets the statutory requirement providing that women represent at least 40% Supervisory Board membership.
- Term of office - Renewal: Recommendation No. 9 of the MiddleNext Code does not include provisions with respect to terms of appointments. In contrast, it is recommended that the Supervisory Board ensures that the terms of appointments be adapted, within the limits established by the law, to the specific characteristics of the company. The terms of Supervisory Board members are set by the Company's Articles of Association at three years (one year being understood as the period between two consecutive Annual General Meetings), in accordance with the law. However, in contrast to the recommendation of the new MiddleNext Code, the renewals of offices are not scattered[17].

Supervisory Board meetings (Article 18 of the Articles of Association)

The Supervisory Board shall appoint a Chairman and a Deputy Chairman from among its members, who are responsible for convening the Supervisory Board and directing its discussions. The Chairman shall also designate a secretary, who may be selected from outside the shareholders and who, together with the Chairman and the Deputy Chairman, shall comprise the bureau.

They shall be appointed for the duration of their mandate for the Supervisory Board and shall always be re-electable.

The Chairman and the Deputy Chairman shall be natural persons.

In the event of absence or impediment of the Chairman, the session of the Supervisory Board shall be chaired by the Deputy Chairman.

The Supervisory Board shall meet as often as the interests of the Company demand and at least once per quarter, at the convening of the Chairman, the Deputy Chairman or a member of the Supervisory Board, made by all written means, including by e-mail or even verbally.

However, the Chairman shall convene the Supervisory Board on a date which must not be more than fifteen (15) days later, when at least one member of the Management Board or at least one third of the members of the Supervisory Board submit a grounded request in this sense. If the request has remained without response, its authors may themselves call the meeting, indicating the agenda of the session. Other than this case, the agenda shall be set by the Chairman and may only be set at the time of the meeting.

The Supervisory Board may also be held by videoconference or any other electronic means of telecommunications or remote transmission.

The meetings shall take place at the registered office or at any other location indicated in the convening notice.

For resolutions to be valid, at least half of the members of the Supervisory Board must be present. Subject to the provisions of article 19 of the Articles of Association, decisions shall be taken by a

[17] See Section 9 of this Report by the Supervisory Board on the Corporate Governance.

majority of votes of present or represented members; in the event of a tie vote, the Chairman of the session shall have the deciding vote.

Moreover, for the purposes of calculating the quorum and majority, the members of the Supervisory Board who take part in the Supervisory Board meetings by videoconference or any other electronic means of telecommunications or remote transmission shall be considered to be present, except for the adoption of the following decisions:

- verification and control of the annual financial statements and, as appropriate, of the consolidated accounts;
- appointment of the members of the Management Board;
- appointment of the Chairman or of the Deputy Chairman of the Supervisory Board and determination of their remuneration.

The members of the Supervisory Board may be represented at each session by one of their colleagues, but one member may only represent one of his colleagues as a proxy. These powers shall only be valid for a single session and may be granted by simple letter, e-mail or fax.

The decisions of the Supervisory Board shall be noted in the minutes drawn up in a special register or on numbered and initialed loose sheets, pursuant to the conditions set by the current legislation.

These minutes shall be signed by the Chairman of the session and by another member of the Supervisory Board.

Remuneration of Supervisory Board members (Article 20 of the Articles of Association)

Members of the Supervisory Board may receive by way of remuneration of their activity a fixed annual amount by way of attendance fees, the amount of which, determined by the Ordinary General Meeting, shall be maintained until a decision to the contrary and shall be charged to the general expenses of the Company.

The Supervisory Board shall share these benefits among its members in a manner which it considers appropriate.

The Supervisory Board may also allocate exceptional remuneration to certain of its members for missions or mandates entrusted to them in the cases and under the conditions provided by law.

No remuneration, permanent or otherwise, may be paid to the members of the Supervisory Board, other than what is allocated to the Chairman and possibly to the Deputy Chairman, or that due by way of an employment contract corresponding to an effective job.

Responsibilities and powers of the Supervisory Board (Article 19 of the Articles of Association)

The Supervisory Board exercises permanent control of the management of the Company carried out by the Management Board.

It appoints the members of the Management Board and sets their remuneration. It designates the Chairman of the Management Board and possibly the Managing Director. It also can remove them in accordance with the provisions provided for by statute and the Company's Articles of Association.

It convenes the General Meeting of shareholders, in the absence of convening by the Management Board.

At any time during the year, it conducts reviews and controls it considers appropriate and shall be provided with all documents it considers useful to fulfill its duties.

By a majority of present or represented members, pursuant to current legal and regulatory provisions, the Supervisory Board authorizes the following agreements and transactions, prior to their conclusion:

(i) any sale of property in kind;

(ii) any total or partial sale of equity holdings;

(iii) any grant of security, as well as guarantees; and

(iv) any agreement referred to in article 22 of the Company's Articles of association and subject, according to article L. 229-7 of the French Commercial code, to the rules set forth in articles L. 225-89 to L. 225-90 of the French Commercial code, which relates to the Supervisory Board's approval of regulated agreements, with the exception of agreements related to standard transactions entered into upon ordinary terms.

With a majority representing more than half of its members in office, the Supervisory Board authorizes, prior to their conclusion, the following agreements and transactions:

(i) approval of the annual budget;

(ii) approval of the business plan;

(iii) appointment and revocation of the members of the Management Board and Managing Directors, decisions on their remuneration and leaving terms;

(iv) submission of draft resolutions to the General Meeting relating to any distribution (including distribution of dividends or reserves) to the shareholders;

(v) approval of material changes in accounting policies;

(vi) submission of draft resolutions to the Extraordinary General Meeting and exercise of delegations of authority or delegations of powers granted by General Meetings and relating to the issue of shares or securities granting access, immediately and/or in the future, to the share capital of the Company;

(vii) share capital reductions and share buyback programs;

(viii) submission of draft resolutions to the General Meeting relating to any amendment to the Company's Articles of Association;

(ix) acquisition and disposal of business branches, equity interests or assets for an amount exceeding €1.0 million, as well as any lease management (*location-gérance*) of all or part of the business, except for the transactions previously submitted and approved as part of the annual budget or business plan;

(x) sale of rights to, or licensing of, antibodies, vaccines or related products for an amount exceeding €1.5 million;

(xi) implementation of any capital expenditure for an amount exceeding €1.0 million, if not previously submitted and approved as part of the annual budget;

(xii) implementation of any expense for recruiting a team for a total annual gross compensation (including social charges and withholding taxes) of €1.5 million in the first year, if not previously submitted and approved as part of the annual budget;

(xiii) any implementation, refinancing or amendment to the terms of any borrowings (including any bonds) for an amount exceeding €1.0 million, if not previously submitted and approved as part of the annual budget;

(xiv) grants of options entitling their holders to subscribe for newly issued shares (*options de souscription d'actions*) or to acquire existing shares (*options d'achat d'actions*), grants of free shares or other plans in favor of the Management Board members and key employees (*i.e* employees with an annual gross compensation in excess of €100,000);

(xv) any merger, demerger, asset contribution, dissolution, liquidation or other restructurings;

(xvi) any settlement or compromise relating to any litigation of an amount exceeding €500,000, provided that any settlement or compromise relating to a litigation of an amount exceeding

€250,000 will be reviewed by the Audit and Governance Committee of the Supervisory Board;

(xvii) any material change in the business; and

(xviii) any agreement or undertaking to do any of the foregoing.

At the annual Ordinary General Meeting, the Supervisory Board presents its observations on the report by the Management Board, as well as on the annual financial statements.

The Supervisory Board may grant all special mandates or specific missions to one or several of its members, for one or several given purposes.

The Supervisory Board may also appoint, among its members, one or several specialized Committees, the composition and duties of which it shall set and which shall carry out their activities on the Supervisory Board's responsibility, provided that such duties cannot result in the Supervisory Board delegating to the Committees the powers exclusively given to it by the law or the Company's Articles of Association, or in any decrease in, or limitation of, the powers of the Supervisory Board.

Provisions of the Supervisory Board's Rules of procedure

In compliance with Recommendation No. 7 of the MiddleNext Code, Valneva SE's Supervisory Board has Rules of procedure which may be consulted on Valneva's website: www.valneva.com. A hardcopy can also be requested from the following address: Valneva SE, 6 rue Alain Bombard, 44800 Saint-Herblain (France), or by email from: investors@valneva.com.

These Rules of procedure set forth the missions and objectives of the Supervisory Board and its Committees, as well as its operating procedures. It was updated on September 27, 2016, following the publication of the new edition of the MiddleNext Governance Code published on September 14, 2016.

Independence and duty to speak

Each Supervisory Board member shall ensure he or she retains his or her independence of judgment, decision and action. He or she undertakes not to be influenced by any factor outside the Company's corporate interest that it is his or her duty to pursue.

Each Supervisory Board member shall disclose to the Supervisory Board any matter that might come to his or her attention and which he or she considers as likely to affect the Company's corporate interest.

Each Supervisory Board member shall communicate his or her questions or opinions to ensure that the Company's corporate interest is pursued at all times, and shall do his or her utmost to convince other Supervisory Board members in order to ensure that such interest is pursued. In the event there is a disagreement between Supervisory Board members during a Supervisory Board meeting, the dissenting member may request that his or her position be recorded in the minutes of the meeting.

Independence and conflicts of interests

Each Supervisory Board member shall do his or her utmost to avoid any conflict arising between his or her interests and the Company's corporate interest. He or she shall inform the Supervisory Board as soon as he or she becomes aware of any conflict of interests or potential conflict of interests, and subsequently refrain from taking part in discussions and voting on any related resolutions.

Once in each fiscal year, the Supervisory Board shall review the conflicts of interests and potential conflicts of interests of which it has been informed.

Loyalty and good faith

Each Supervisory Board member and attendee shall refrain from acting in any way that might go against the corporate interest of the Company and shall act in good faith in all circumstances.

Each Supervisory Board member shall undertake to comply with all the decisions adopted by the Supervisory Board which are in compliance with applicable laws and regulations.

Confidentiality

In accordance with article L. 225-92 of the French Commercial code, each Supervisory Board member and attendee shall be bound by professional secrecy with respect to discussions and deliberations of the Supervisory Board and Committees of the Supervisory Board, as well as any information he or she may receive in the performance of his or her duties.

Each Supervisory Board member or attendee shall be bound not to disclose any such information outside the Supervisory Board.

Insider policy

Each Supervisory Board member and attendee shall comply with the Company's insider policy.

Diligence

By accepting his or her office of Supervisory Board member, each Supervisory Board member undertakes to devote the necessary time and due diligence in performing his or her duties, in accordance with applicable laws and regulations. Unless genuinely prevented from doing so, each Supervisory Board member shall attend all meetings of the Supervisory Board and Committee meetings of which he or she is a member.

Supervisory Board members shall resign from office as Supervisory Board member in the event they consider themselves unable to exercise their duties in accordance with the application laws and regulations and/or the Rules of procedure.

Professionalism, self-evaluation and protection

Each Supervisory Board member shall contribute to the collegial administration and efficiency of the work of the Supervisory Board and of any Committee. He or she shall make any recommendation which might improve the Supervisory Board procedures.

Each Supervisory Board member shall have a duty to ensure that the deliberations of the Supervisory Board are taken in the Company's corporate interest and recorded in the minutes of the meetings.

Each Member shall ensure that all information required in relation to the items to be discussed during the Supervisory Board's meetings is obtained in a timely manner.

Once in each fiscal year, the Chairman of the Supervisory Board shall request all Supervisory Board members to provide their opinion on the functioning of the Supervisory Board and its Committees and on the preparation of the Supervisory Board's work.

The Chairman of the Supervisory Board shall make sure that the potential liability of Supervisory Board members is adequately insured and shall inform these members of the coverage thus provided.

Committees - Common provisions

The Supervisory Board may set up its own Committees, to facilitate its proper functioning and to contribute effectively in the preparation of its decisions.

A Committee's mission is to study the issues and projects which the Supervisory Board or its Chairman refers to it for consideration, to prepare the work and decisions of the Supervisory Board relating to its subject and projects, and to report the findings to the Supervisory Board in the form of reports, proposals, opinions, information or recommendations.

Committees shall perform their duties under the responsibility of the Supervisory Board. No Committee may deal, on its own initiative, with issues which extend beyond the specific scope of its missions. Committees shall have no decision-making power.

(c) Services agreements

There are no service agreements binding the members of the Supervisory Board to the Company or to one of its affiliates.

However, concerning the Management Board members, please refer to the description of the Management Agreements set forth within the Group[18].

1.4. Absence of conflicts of interests and previous convictions, non-accumulation of appointments

Conflicts of interests involving the Management Board, the Supervisory Board and executive management bodies

With the exception of Mr. Frédéric Grimaud who is a second cousin of Mr. Franck Grimaud, member of the Company's Management Board, there is no family relationship in the boards and management bodies of the Company.

To the Company's knowledge, there is no potential conflict of interest between the duties of the members of the Management Board and the Supervisory Board and their private interests and/or other duties.

To the Company's knowledge, there are no agreements or any agreement with certain major shareholders, customers, suppliers or others, pursuant to which a member of the Management Board or the Supervisory Board of the Company has been appointed in that capacity.

Independence of the Supervisory Board members (Recommendation No. 3 of the MiddleNext Code)

There are five criteria from which the independence of Supervisory Board members can be presumed and which is characterized by the absence of any significant financial, family or personal relationship likely to affect their independence of judgment:

- they must not have been, during the last five years, an employee or corporate officer of the Company or a company of the Group;
- they must not have had any material business relationship with the Company or the Group for the last two years (as a client, supplier, competitor, service provider, creditor, banker, etc.);
- they must not be a reference shareholder of the Company or hold a significant percentage of voting rights;
- they must not have a close relationship or close family ties with a corporate officer or a reference shareholder;
- they must not have been a Statutory Auditor of the Company in the course of the previous six years.

In accordance with the criteria for independence defined above, the Company considers that Messrs. Munoz, Sulat, Von Gabain and Clemens, as well as Ms. Graffin, Ms. Poole and Ms. Shaw-Marotto, meet all these criteria and consequently are independent members of Valneva SE's Supervisory Board. Therefore, the Company meets Recommendation No. 3 of the MiddleNext Code which advises a minimum of 2 independent members.

[18] See Sections 6.2.1 (b) and (d) of this Report by the Supervisory Board on the Corporate Governance.

Absence of previous convictions

As far as the Company is aware, no member of the Management Board or the Supervisory Board has been:

- convicted of fraud over the last five years;
- associated with any bankruptcy, receivership or liquidation proceeding over the last five years;
- the subject of any conviction and/or official public sanction pronounced by any statutory or regulatory authorities (including professional bodies) over the last five years; and
- disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer, or from participating in the management or conduct of the affairs of any issuer over the last five years.

Non-accumulations of appointments

Recommendation No. 15 of the MiddleNext Code provides that the suitability of holding an employment contract while serving as a corporate officer shall be determined by the Supervisory Board and in light of regulations.

For companies with a Management Board and a Supervisory Board, this Recommendation applies to the Chairman of the Management Board. The Chairman of the Company's Management Board does not have any employment contract with Valneva SE. He does however have such a contract (Management Agreement) with Valneva SE's subsidiary, Valneva Austria GmbH, in which he is also a Managing Director. This contract complies with Austrian law, which allows the combination of an employment relationship and a management position in the same entity. The contract, in force at the date of this Report, was authorized by the Company's Supervisory Board on June 25, 2015.

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The members of the Supervisory Board comply with the rules governing multiple appointments under French law (article L. 225-21 of the French Commercial code). The members of the Supervisory Board do not simultaneously hold more than five appointments as Director or member of the Supervisory Board of other *Sociétés Anonymes* with a head office in France, it being understood that (a) this number does not include directorships or Supervisory Board memberships in companies controlled by Valneva SE within the meaning of article L. 233-16 of the French Commercial code, and (b) directorships in companies whose shares are not listed on a regulated stock market and which are controlled, within the meaning of article L. 233-16 of the French Commercial code, by a single company, count as one directorship, provided that the number of such directorships does not exceed five.

No Supervisory Board member can legally exercise a management function in the Company; the MiddleNext Code Recommendation (Recommendation No. 1) whereby a board member "manager" must not accept more than two offices in other listed companies is consequently not relevant in the case of Valneva SE.

2. CONDITIONS OF PREPARATION AND ORGANIZATION OF THE WORK OF THE SUPERVISORY BOARD FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

2.1. Holding of the Supervisory Board meetings and attendance rate

The Management Board members are invited to attend every Supervisory Board meeting. Mr. Thomas Lingelbach, Chairman of the Management Board, Mr. Franck Grimaud, President & CBO, Mr. David Lawrence as Management Board Member and CFO Mr. Frédéric Jacotot, General Counsel and Secretary to the Supervisory Board and as Management Board Member , and Mr. Wolfgang Bender, as Management Board Member and CMO

The Joint Statutory Auditors are also invited to those Supervisory Board meetings that examine the half-year and annual financial statements.

A record of attendance is signed by all Supervisory Board members present.

Minutes are drawn up for every Supervisory Board meeting and submitted for approval to each Supervisory Board member before the next meeting is held.

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Valneva SE's Supervisory Board met 10 times in the fiscal year 2018. The average attendance rate of the Supervisory Board was 78%. The Supervisory Board members thus generally comply with the attendance requirement set out in Recommendation No. 1 of the MiddleNext Code relating to the Supervisory Board's conduct of business rules.

Six members of the Supervisory Board out of ten were present at the Combined General Meeting held on June 28, 2018. The AGM participation requirement set out in Recommendation No. 1 of the MiddleNext Code relating to the Supervisory Board conduct of business rules was therefore mostly satisfied.

2.2. Notification of meetings to Supervisory Board members and Statutory Auditors

Each year, Valneva SE makes a provisional schedule of the Supervisory Board meetings for the following calendar year.

Furthermore, Valneva SE sends a meeting notice by email to the Supervisory Board members and by registered letter with acknowledgment to the Joint Statutory Auditors, approximately 8 days before the meeting.

In advance of Supervisory Board meetings, all documents, technical files and information necessary for the performance of their duties is provided to all Supervisory Board members. The Management Board may inform the Supervisory Board members of major events and provide additional information outside meetings. Consequently, the Company applies Recommendation No. 4 of the MiddleNext Code. However, in contrast to this Recommendation, the Rules of procedures of the Supervisory Board do not define specific requirements for issuing this information. Instead, it is incumbent on each Supervisory Board member to ensure that they receive this information in a timely manner.

Furthermore, the Supervisory Board members are reminded of the confidential nature of items provided to them, in the documents themselves and the accompanying e-mails or correspondence (Recommendation No. 1 of the MiddleNext Code).

2.3. Purpose of meetings

For the year 2018, the Supervisory Board considered and/or decided on the following matters:

- Quarterly Reports from the Management Board;
- Management Board performance appraisal and bonus for 2017;
- Management Board goals and objectives for 2018;
- Management Board compensation;
- Changes in R&D activities;
- Investor relations;
- Review of the statutory financial statements for the year ended on December 31, 2017;
- Review of the consolidated financial statements and management report for the year ended December 31, 2017;
- "Vigilance points" under the MiddleNext governance code;
- Authorization to grant stock options;

- Authorization to grant equity warrants (BSA 29);
- Expiration of BSA (tranche 2 of BSA 25);
- Employee compensation;
- Supervisory Board report to shareholders;
- Management Board's Special Reports;
- Report by the Chairman of the Supervisory Board on the preparation and organization conditions of the Supervisory Board and the internal control procedures;
- Report of the Supervisory Board on the compensation and benefits of the Management Board members and Supervisory Board members;
- Draft resolutions to be submitted to the shareholders;
- Related-party transactions;
- Company policy on equal opportunity employment and wages;
- Corporate development strategy and strategic projects;
- Quarterly Reports from the Management Board;
- Reappointment of Management Board members;
- Approval of management agreements;
- Authorization to amend management agreements;
- Termination indemnities in Management Agreements;
- Authorization to modify the Management Board's internal rules;
- Review of consolidated half-year financial statements and Management Board report;
- Supervisory Board self-evaluation;
- Review of conflicts of interests;
- 2019 budget;
- Authorization to enter into regulated agreements: biological material storage agreement, collaboration and research license agreement, premises and equipment provision agreement
- PIPE strategy/Authorization to increase the Company's share capital by way of private placement;
- Acknowledgement of a supervisory board member's independent status;
- Free Convertible Preferred Share Program 2017;
- Authorization to amend the terms of a loan agreement;
- Discharge of Valneva Austria GmbH's Managing Directors;
- Review of AGM results;
- Long Range Plan;
- Authorization to incur capital expenditure.

2.4. Evaluation of the work of the Supervisory Board

Recommendation No. 11 of the MiddleNext Code provides that the Supervisory Board should conduct a yearly evaluation of its work. This self-evaluation was conducted on June 28, 2018.

2.5. Committees

In compliance with Recommandation No. 6 of the MiddleNext Code, the Company has created Committees in light of its own situation.

2.5.1. Nomination and Compensation Committee

Composition

The Nomination and Compensation Committee is composed of four members, as follows:

- Mr. Alain Munoz, Chairman of the Committee;
- Mr. Alexander Von Gabain;
- Ms. Anne-Marie Graffin; and
- Mr. Balaji Muralidhar.

The Committee meets as often as required to serve the Company's interests and at least twice a year.

Duties

The Committee issues proposals to the Supervisory Board on all aspects of top managers' appointment and remuneration.

It draws up succession plans for corporate officers and Members of the Supervisory Board so as to be able to propose replacements to the Supervisory Board when a seat falls vacant.

As part of its duties, the Committee has the following specific responsibilities:

(a) With respect to appointments, the Committee shall:

- issue recommendations on the appropriateness of appointments, revocation, dismissal and renewal of appointment of members and Chairman of the Supervisory Board, Committees or Management Board. It shall also issue recommendations on the candidates considered, in terms of expertise, availability, appropriateness and complementarity with other Supervisory Board members and Management Board members;
- at any time, be in a position to formulate proposals on potential successors to the Chairman of the Management Board or Supervisory Board; and
- issue recommendations, upon Management Board request, on the appointment or resignation of a member of the Board of Directors (or any equivalent body), and on the appointment or dismissal of permanent representatives of the Company on such Board of Directors or equivalent bodies;

(b) In the area of remuneration, the Committee shall:

- examine and make proposals with respect to the various components of corporate officers' (including Management Board members) remuneration, the allocation of incentive bonuses and all the provisions relating to retirement benefits and any other kind of benefit;
- ensure the consistency of these rules with the annual assessment of the performance of the Company's corporate officers, on one hand, and with the Company's strategy on the other hand, and verify that these rules are applied properly;
- make recommendations to the Supervisory Board relating to the overall amount of Supervisory Board members' attendance fees to be proposed to the General Meeting and on the allocation of these attendance fees between said Supervisory Board members;
- examine the Management Board's policy and projects with respect to rights issues reserved to employees; and
- assist the Supervisory Board in the drafting of sections of the annual Report that fall within the scope of its remuneration.

2.5.2. Audit and Governance Committee

Composition

The Audit and Governance Committee is composed of four members, as follows:

- Mr. James Sulat, Chairman of the Committee;
- Bpifrance Participations, represented by Ms. Maïlys Ferrere;
- Ms. Louisa Shaw-Marotto; and
- Ms. Sandra Poole.

The Committee meets as often as required to serve the Company's interests and at least twice a year.

Duties

The Committee shall deal with questions of accounting and audit; it shall prepare the adoption of the financial statements and monitor the implementation of proper risk management processes. In addition, the Committee shall monitor the independence of the Statutory Auditors, especially with respect to the additional services provided to the Company (audit-related and non-audit-related services). The Committee shall review the Reports issued by the Statutory Auditors, the Management Board and the Supervisory Board.

The Committee shall also provide advice on and monitor the implementation of the corporate governance and corporate compliance policies of the Company.

As part of its duties, the Committee has the following specific responsibilities:

- review, audit and monitor the implementation of, and issue recommendations on, the following items:
  - scope of consolidation, accounting methods and audit procedures;
  - quarterly, half-yearly and annual financial statements, and in particular provisions, material risks and off-balance sheet commitments;
  - accounting positions relating to material transactions;
  - proposed adoptions of material changes to accounting methods;
  - Company's financial position;
  - review by the Statutory Auditors of the half year and annual separate accounts and consolidated financial statements; and
  - procedures for preparing detailed financial information to be provided to shareholders and to the market, and Company press releases relating to accounting and financial information;
- oversight of the Statutory Auditors and ensuring that conditions guaranteeing the independence of these Statutory Auditors exist through the following procedures:
  - steering of the selection procedure applicable to the Statutory Auditors;
  - submission of recommendations to the Supervisory Board on the Management Board's proposals to the General Meeting with respect to appointing, replacing and reappointing the Statutory Auditors;
  - assessment of the amount of fees paid to the Statutory Auditors and recommendation thereon to the Management Board;
  - monitoring that the Statutory Auditors comply with the rules governing their independence;

- approval of services other than the certification of accounts, after analyzing risks affecting the independence of Statutory Auditors and the safeguard measures adopted;
- supervising the audit assignment of the Statutory Auditors, taking into account, as applicable, items noted by the French Superior Council of Statutory Auditors (*Haut Conseil du Commissariat aux Comptes*) following an audit;

+ oversight of internal audit procedures and monitoring the efficiency of internal and risk management procedures:
  - submission of recommendations on the mission and organization of the Company's internal audit department and its action plan;
  - review of the main conclusions made by the internal audit department within its work, followed by a report to the Supervisory Board; and
  - review of the contribution of the internal audit department within the evaluation of the risk management process and of the internal control.

The Committee meets prior to any Supervisory Board meeting called to deliberate on the review or approval of the financial statements, the Annual Management Report, presentation of budgets for the coming year or the review of risks and internal control procedures.

The Committee's review of the financial statements shall be accompanied by a presentation by the Statutory Auditors highlighting the key points, not only of the results, but also of the accounting choices made, and a presentation by the Finance Department of the Company on the risk exposure and significant off-balance sheet commitments.

This Committee reports on a regular basis to the Supervisory Board on the performance of its mission and informs the Supervisory Board immediately in the event of a problem. The Committee also reports to the Supervisory Board on the results of the accounts certification assignment so as to contribute to the integrity of financial information, and the role it played in this process.

2.5.3. Strategy Committee

A Strategy Committee has been provided for under the Supervisory Board’s Rules of procedures. However, this Committee is not yet effective.

The main provisions relating to this Committee in the Internal Rules of the Supervisory Board are hereinafter set out:

Composition and operation

The Strategy Committee shall be composed of at least three members or their permanent representatives appointed by the Supervisory Board.

The Committee shall meet as often as required to serve the Company’s interest, and at least twice per year.

Duties

The Committee shall:

+ review and issue recommendations to the Supervisory Board on projects for the strategic plans and annual budgets of the Company drawn up by the Management Board. In this respect, the Committee may interview the Management Board members on the assumptions applied in drawing up the said plans;
+ review and issue recommendations to the Supervisory Board on the creation of any business division or subsidiary, on investments in any business division or on the acquisition of any equity interest in a country in which the Company does not operate;

- review and issue recommendations to the Supervisory Board on all proposed mergers, spin-offs or asset transfers in connection with the Company; and
- review and issue recommendations to the Supervisory Board on any transaction entailing a significant alteration in the scope of the business activities of the Company and its subsidiaries.

2.5.4. Scientific Committee

Composition

The Scientific Committee is composed of three members, as follows:

- Mr. Ralf Clemens, Chairman of the Committee;
- Mr. Alexander Von Gabain; and
- Mr. Alain Munoz.

The Committee meets as often as required to serve the Company's interests and at least twice a year.

Duties

The Committee shall:

- examine the R&D strategy developed by the Management Board and make recommendations to the Supervisory Board;
- provide an opinion to the Supervisory Board on the achievement by the Management Board of objectives relating to R&D;
- stay informed about new scientific developments of critical importance to the success of Valneva's R&D and offer an opinion to the Supervisory Board regarding any scientific technical or R&D-related subject;
- provide an opinion or recommendations to the Supervisory Board regarding projects or operations concerning Valneva's projects in research or under development; and
- provide assistance to the Supervisory Board for work evaluating and overseeing the Company's R&D strategy.

3. AUTHORIZATIONS FOR CAPITAL INCREASES

In accordance with the provisions of article L. 225-100, subsection 7 of the French Commercial code, the Section "Powers of the Management Board, in particular for the issuance and buyback of shares" of this Corporate Governance Report[19] provides information on the current authorizations granted to the Management Board by the General Meeting of the Company to proceed with capital increases in accordance with articles L. 225-129-1 and L. 225-129-2 of the French Commercial code, and on the uses made thereof during the fiscal year 2018.

4. LIMITATIONS IMPOSED ON THE POWERS OF THE MANAGING DIRECTOR BY THE SUPERVISORY BOARD

Obligations to disclose limitations imposed by the Supervisory Board on the powers of the Managing Director only concern French public limited companies (*Sociétés Anonymes*) governed by a Board of Directors. Valneva SE is a *Société Européenne* with a dual system of governance, composed of a Management Board and a Supervisory Board. Therefore, the Company is not bound by said obligations.

[19] See Section 7.8.

5. AGREEMENTS ENTERED INTO BETWEEN A CORPORATE OFFICER OR A SHAREHOLDER HOLDING MORE THAN 10% OF THE VOTING RIGHTS OF THE COMPANY, AND A SUBSIDIARY (EXCLUDING ORDINARY AGREEMENTS)

Contracting party	Agreement	Purpose of the agreement[20]
Mr. Thomas Lingelbach	**Management Agreement** entered into with Valneva Austria GmbH on June 25, 2015	This agreement provides for the payment of remuneration and benefits to Mr. Thomas Lingelbach, in his capacity as Managing Director of Valneva Austria GmbH. This agreement will terminate at the end of Valneva SE's Annual General Meeting scheduled for June 2019.
	Management Agreement entered into with Valneva Austria GmbH on July 9, 2018, with effect in June 2019	This agreement provides for the payment of remuneration and benefits to Mr. Thomas Lingelbach, in his capacity as Managing Director of Valneva Austria GmbH. This agreement will become effective after Valneva SE's Annual General Meeting scheduled for June 2019.
Mr. David Lawrence	**Temporary Management Agreement** entered into with Valneva UK Ltd on December 18, 2018, with effect on January 1, 2019	This agreement provides for the payment of remuneration and benefits to Mr. David Lawrence, in his capacity as Managing Director of Valneva UK Ltd. This agreement is effective from January 1, 2019 until the end of Valneva SE's Annual General Meeting scheduled for June 2019.
	Management Agreement entered into with Valneva UK Ltd on December 21, 2018, with effect in June 2019	This agreement provides for the payment of remuneration and benefits to Mr. David Lawrence, in his capacity as Managing Director of Valneva UK Ltd. This agreement will be effective after Valneva SE's Annual General Meeting scheduled for June 2019.
Mr. Wolfgang Bender	**Management Agreement** entered into with Valneva Austria GmbH on August 7, 2017, with effect on September 1, 2017	This agreement provides for the payment of remuneration and benefits to Mr. Wolfgang Bender, in his capacity as Managing Director of Valneva Austria GmbH. This agreement will terminate at the end of Valneva SE's Annual General Meeting scheduled for June 2019.
	Management Agreement entered into with Valneva Austria GmbH on July 9, 2018, with effect in June 2019	This agreement provides for the payment of remuneration and benefits to Mr. Wolfgang Bender, in his capacity as Managing Director of Valneva Austria GmbH. This agreement will be effective after Valneva SE's Annual General Meeting scheduled for June 2019.

[20] Detailed information on selected terms of this agreement is provided in Sections 6.2.1 (b) and (d) of this Report by the Supervisory Board on the Corporate Governance.

6. REMUNERATION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS - SHAREHOLDING

6.1. Principles and criteria for setting, allocating and granting the remuneration

6.1.1. Principles and criteria applicable to the Management Board

The principles set out below in connection with the remuneration of the Management Board in 2019 may apply to any new member of the Management Board possibly appointed in the future (including the Chairman). The amounts of remuneration and benefits granted for 2018 are presented in Section 6.2.1 of this Report by the Supervisory Board on the Corporate Governance.

Fixed, variable and special compensation

Compensation	Chairman of the Management Board	Other Management Board members
Fixed compensation	Gross annual compensation of approximately €370,000 to €410,000, in line with the Company's practice. Fixed remuneration based on an assessment of the market, the individual performance of the officer and his or her responsibilities (Recommendation No. 13 of the Middlenext Code).	Gross annual compensation of approximately €200,000 to €320,000, in line with the Company's practice. Fixed remuneration based on an assessment of the market, the individual performance of the officer and his or her responsibilities (Recommendation No. 13 of the Middlenext Code).
Annual variable performance-based compensation	Maximum 60% of gross annual fixed compensation ➔ See below the Paragraph "Variable or exceptional remuneration rules applicable to the Management Board members"	Maximum 50% of gross annual fixed compensation ➔ See the Paragraph "Variable or exceptional remuneration rules applicable to the Management Board members"
Multi-year variable remuneration	The members of Valneva SE's Management Board do not have any multi-year variable remuneration.	
Grant of free shares	The Company implements programs for the grant, without consideration, of convertible preferred shares to foster long-term retention of Company executive officers. Management Board members benefit from these programs. For a description of the principles and applicable conditions, as well as of the current plans: see the 26th resolution of the Company's Combined General Meeting of June 29, 2017 and Section 18 of the Report by the Management Board related to that Meeting, as well as Section 6.2 of this Report by the Supervisory Board on the Corporate Governance. In December 2017, the Company granted free convertible preferred shares ("**FCPS**") to the members of the Management Board or Executive Committee (now replaced by the Management Committee) and to Manufacturing site Heads, with conversion rules based on Valneva's stock price 4 years after the initial granting. This plan is based on the following general principles: (a) the participants were required to make a personal investment, through the purchase of Valneva SE ordinary shares on the market, (b) the conversion ratio gradually increases, depending on Valneva SE's stock price after 4 years, with a target price (giving the highest conversion ratio) at 8 €, and (c) the maximum gross gain will be limited by decreasing the conversion ratio if the stock price exceeds the target. If the stock price reaches the target in 2021, this plan may result, at a maximum and after conversion of the preferred shares, in the Chairman of the Management Board receiving 346,952 Valneva SE ordinary shares, and in the each of the other Management Board members receiving 288,362 Valneva SE ordinary shares.	
Special compensation	➔ See the "Note" in the Paragraph "Variable or exceptional remuneration rules applicable to the Management Board members"	
Attendance fees	Valneva SE does not grant attendance fees to management board members.	

Benefits	Chairman of the Management Board	Other Management Board members
A long-term insurance savings products	A long-term life insurance policy as a retirement savings product is taken out by Valneva Austria GmbH, a subsidiary of Valneva SE, for Mr. Thomas Lingelbach, in line with normal practice in Austria. Policy terms: the savings is released when the beneficiary reaches the retirement age in Austria (currently 65) or on the latter's death if occurring before reaching this age. The cost of the policy (approximately €1000 per month or €12,000 per year) is incurred by the subsidiary Valneva Austria GmbH.	
Unemployment insurance for executive officers	The Company has taken out a policy for company executive officers (*Garantie Sociale des Chefs et Dirigeants d'Entreprises* or "**GSC**") for the members of the management board contractually attached to Valneva SE and having their tax residence in France, in accordance with normal market practice in France. The purpose of this Contract is to guarantee the payment of compensation in case of unemployment (up to 70% of the last professional net income filed with the tax authorities). The cost of the policy approximately €7,000 to €8,000 per year and per person) is paid by Valneva SE.	
Leasing of a car	Each board member is provided with a vehicle. The maximum leasing fee is €1,210 per month or €14,520 for the year for each management board member. The leasing of a car can be replaced with a "car allowance" of the same amount, paid to management board members. In 2018 and 2019, Mr. David Lawrence and Mr. Wolfgang Bender received and will receive such a car allowance instead of a company car. Car insurance and other car-related expenses (including, though not limited to, the tax on company vehicles, etc.) are incurred by the Company or the subsidiary to which the management board member is contractually attached, according to the case.	
Reimbursement of the costs of travel from the place of residence to the place of work by plane and associated costs	The Company or its subsidiaries, according to the case, reimburses management board members for the cost of weekend travel by plane between their place of residence and the sites of Valneva Group, including transportation to and from the airport.	
Foreign tax residents	With respect to those Management Board members who are tax residents of a country other than France and Austria, the Company or its subsidiaries bear pension plan charges and provide indemnification against possible additional tax resulting from foreign tax residency. Therefore, the Company or its subsidiaries (a) pay an amount equal to 15% of Mr. David Lawrence's remuneration to a British pension fund, (b) contribute to Mr. Wolfgang Bender's retirement and sickness coverage in the amount of approximately €24,000 per year, and (c) will, as the case may be, bear the additional tax resulting from the potential taxation of reimbursed costs of travel between their place of residence and the Group's offices in Austria or France. Further, the Company will bear the fees of Mr. Lawrence's UK tax advisor in connection with the preparation of his UK tax return, particularly with respect to French and Austrian tax credits, up to a maximum of €3,000 per year.	
Other miscellaneous benefits	Other miscellaneous benefits such as, though not limited to, the provision of a cell phone or laptop computer, the leasing of a parking place, etc.) are granted to members of the management board of the Company or its subsidiary to which the management board member is contractually attached, according to the case.	

Variable or exceptional remuneration rules applicable to the Management Board

The "**Bonus**" represents the variable part of the Management Board´s annual compensation. The Bonus process applied follows the principles of a state the art performance management system with the following key elements:

1. the Management Board receives goals for a new business year from the Supervisory Board;
2. these goals are set according to the recommendation of the Nomination and Compensation Committee;
3. the Management Board goals are linked to key strategic and operational objectives necessary to develop the company according to its published strategy and financial guidance;
4. the Management Board goals are "SMART" (Specific, Measurable, Accepted, Relevant, Time-bound);
5. performance against agreed goals is reviewed throughout each business year;

6. the Management Board goals are adjusted during the year in case of major changes in the business´ proposition or priorities;
7. performance against the agreed Management Board goals is assessed upon completion of a business year ("**the Appraisal**");
8. Bonus pay-out is linked to the Appraisal and based on the individual the Management Board members Target Bonus. The "**Target Bonus**" is the Bonus assuming a 100% Appraisal;
9. the Appraisal is made by the Supervisory Board upon the recommendation of the Nomination and Compensation Committee.

The Target Bonus represents either 50% or 60% of the respective yearly gross salary.

A majority of the Management Board goals are wholly or partly of a quantitative nature and split between operational and strategic objectives.

From 2018 (bonus to be paid in 2019) onwards, each Management Board member has been and will be given an individual goal, of a mostly qualitative nature, in addition to the collective goals. Each individual goal is weighted at 20%, and the collective goals are weighted at 80%.

For 2018, the agreed Management Board goals (for which payment will be made in 2019) were linked to:

- financial performance, weighted in total at 20%;
- strategic business development activities, weighted in total at 20%;
- R&D progression, weighted in total at 20%;
- improvement in company value, weighted in total at 20%.

For 2019 (bonus to be paid in 2020), the collective goals relate to the following areas: financial performance (20%), strategic business development activities (20%), R&D progression (25%), Group preparation for next steps (15%).

Note: When the Management Board achieves exceptional results exceeding the specified objectives, the Supervisory Board, on the recommendation of the Nomination and Compensation Committee, may decide to grant an exceptional bonus. This bonus, when granted, is generally for an amount less than the performance bonus.

For the fiscal year 2018, the Company's Supervisory Board, in its meeting held on March 1, 2019, assessed the Management Board's performance, in regard to goals and objectives, and granted or authorized an exceptional bonus as set out below.

<u>Overall achievement of goals and associated Bonus</u>:

- President & CEO: 100% - Bonus = €226,308.60
- President & CBO: 94% - Bonus = €121,010.90
- CFO: 100% - Bonus = €134,752.50
- CMO: 100% - Bonus = €143,270.50
- General Counsel: 86% - Bonus = €19,568.87

<u>Exceptional bonus granted or authorized by reason of the success, beyond expectations, of the private placement completed on October 1, 2018</u>:

- President & CEO and CFO: €50,000 for each of them
- Other Management Board members: €15,000 for each of them

The payment of variable and special components of compensation for the fiscal years 2018 and 2019 will be contingent on approval by the Ordinary General Meeting of the Company called for the purpose of approving the relevant financial statements of the components of compensation

of the person concerned in accordance with the provisions of article L. 225-100, subsections 10 and 11, of the French Commercial code.

Compensation or benefits due to corporate officers on assuming, terminating or changing functions

These financial benefits are granted to Management Board members in certain scenarios involving the termination or change of functions.

These benefits and their conditions for 2018 and 2019 are described in Section 6.2.1 (d) of this Report by the Supervisory Board on the Corporate Governance.

Recommendation No. 16 of the MiddleNext Code provides guidelines with regard to "golden handshakes" for corporate officers; the severance package of the Management Board members is not, however, in full compliance with this Recommendation[21].

6.1.2. Principles and criteria applicable to the Supervisory Board

The principles set out below in connection with the remuneration of the Supervisory Board members in 2018 may apply to any new member of the Supervisory Board possibly appointed in the future (including the Chairman).

Attendance fees

The Company pays attendance fees to all members of the Supervisory Board of Valneva SE on the basis of their office, except (i) to members of the board who are legal entities, and (ii) individual members having expressly waived their right to attendance fees.

In accordance with the Company possible practices, the annual distribution of attendance fees breaks down as follows:

Chairman of the Supervisory Board: €50,000 to €60,000 per year
Vice-Chairman of the Supervisory Board and Committee Chair: €45,000 to €55,000 per year
Member of the Supervisory board and Committee Chair: €35,000 to €45,000 per year
Member of the Supervisory Board: €30,000 to €35,000 per year

In contrast to the Recommendation No. 10 of the MiddleNext Code, payment of these fees is not contingent upon meeting attendance by the Supervisory Board members. In practice however, the Supervisory Board members unable to attend a meeting provide input into the topics to be discussed, prior to the meeting[22].

Equity warrants

The Company grants equity warrants to Supervisory Board members.

The normal annual allocation is 12,000 BSA warrants for the Chairman of the Supervisory Board and 6,500 BSA warrants for each of the other Supervisory Board members. For 2017, the allocation may be approximately doubled (24,000 to 25,000 warrants for the Chairman and 12,500 to 13,000 warrants for each other member), if it was technically impossible to grant BSA equity warrants in the preceding year. Because no equity warrants could be granted in 2018, such a double allocation is planned for 2019.

For a description of the principles and applicable conditions: see the 24th resolution of the Company's Combined General Meeting of June 28, 2018 (and Section 18 of the Report by the Management Board related to that Meeting).

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[21] See Section 9 of this Report by the Supervisory Board on the Corporate Governance.
[22] See Section 2.1 of this Report by the Supervisory Board on the Corporate Governance.

6.1.3. Draft resolutions of the Ordinary General Meeting of June 27, 2019, following the "Say on Pay" principle

[…] resolution - Approval of the principles and criteria for setting, allocating and granting fixed, variable and special compensation making up the total compensation and benefits of any kind granted to the Chairman and the members of the Management Board

The Shareholders, acting in accordance with the quorum and majority voting requirements applicable to Ordinary General Meetings, after considering the Report by the Supervisory Board on the Corporate Governance dated March 20, 2019 and which includes, in particular, the components of the compensation policy for corporate officers established in accordance with article L. 225-82-2 of the French Commercial code, approve the principles and criteria for setting, allocating and granting fixed, variable and special compensation making up the total compensation and benefits of any kind attributable to the Chairman and the members of the Management Board on the basis of their office, as presented in Section 6.1 of the said Report (Section B of the Company's Registration Document 2018).

[…] resolution - Approval of the principles and criteria for setting, allocating and granting fixed, variable and special compensation making up the total compensation and benefits of any kind granted to the Chairman and the members of the Supervisory Board

The Shareholders, acting in accordance with the quorum and majority voting requirements applicable to Ordinary General Meetings, after considering the Report by the Supervisory Board on the Corporate Governance dated March 20, 2019 and which includes, in particular, the components of the compensation policy for corporate officers established in accordance with article L. 225-82-2 of the French Commercial code, approve the principles and criteria for setting, allocating and granting fixed, variable and special compensation making up the total compensation and benefits of any kind attributable to the Chairman and the members of the Supervisory Board on the basis of their office, as presented in Section 6.1 of the said Report (Section B of the Company's Registration Document 2018).

[…] resolution - Approval of the fixed, variable and special compensation making up the total compensation and benefits of any kind paid or granted to Mr. Thomas Lingelbach, Chairman of the Management Board, in respect of the fiscal year ended December 31, 2018

The Shareholders, acting in accordance with the quorum and majority voting requirements applicable to Ordinary General Meetings and with article L. 225-100 of the French Commercial code, after considering the Report by the Supervisory Board on the Corporate Governance dated March 20, 2019 and which includes, in particular, the components referred to in article L. 225-37-7 of the French Commercial code, approve the fixed, variable and special compensation making up the total compensation and benefits of any kind paid or granted to Mr. Thomas Lingelbach, Chairman of the Management Board, in respect of the fiscal year ended December 31, 2018, as presented in Section 6.2.1 of the said Report (Section B of the Company's Registration Document for the fiscal year 2018).

[…] resolution - Approval of the fixed, variable and special compensation making up the total compensation and benefits of any kind paid or granted to the members of the Management Board (other than the Chairman of the management Board) in respect of the fiscal year ended December 31, 2018

The Shareholders, acting in accordance with the quorum and majority voting requirements applicable to Ordinary General Meetings and with article L. 225-100 of the French Commercial code, after considering the Report by the Supervisory Board on the Corporate Governance dated March 20, 2019 and which includes, in particular, the components referred to in article L. 225-37-7 of the French Commercial code, approve the fixed, variable and special compensation making up the total

compensation and benefits of any kind paid or granted to the members of the Management Board (other than the Chairman of the Management Board) in respect of the fiscal year ended December 31, 2018, as presented in Section 6.2.1 of the said Report (Section B of the Company's Registration Document 2018).

[…] resolution - Approval of the fixed, variable and special compensation making up the total compensation and benefits of any kind paid or granted to Mr. Frédéric Grimaud, Chairman of the Supervisory Board, in respect of the fiscal year ended December 31, 2018

The Shareholders, acting in accordance with the quorum and majority voting requirements applicable to Ordinary General Meetings and with article L. 225-100 of the French Commercial code, after considering the Report by the Supervisory Board on the Corporate Governance dated March 20, 2019 and which includes, in particular, the components referred to in article L. 225-37-7 of the French Commercial code, approve the fixed, variable and special compensation making up the total compensation and benefits of any kind paid or granted to Mr. Frédéric Grimaud, Chairman of the Supervisory Board, in respect of the fiscal year ended December 31, 2018, as presented in Section 6.2.2 of the said Report (Section B of the Company's Registration Document 2018).

6.2. Remuneration granted during the year ended December 31, 2018

The information presented in this Section applies to compensation allocated to members of the Management and Supervisory Boards by:

- the Company;
- the companies controlled, pursuant to article L. 233-16 of the French Commercial code, by the Company in which the office is exercised;
- the companies controlled, pursuant to article L. 233-16 of the French Commercial Code, by the company(ies) controlling the Company in which the office is exercised;
- the company(ies) controlling, pursuant to the same article, the Company in which the office is exercised,

in consideration for services they provide to companies of the Group.

The amounts presented below are on a gross basis before tax.

6.2.1. Remuneration granted to the Management Board

(a) Summary of the Management Board members remuneration

	Mr. Thomas Lingelbach		Mr. Franck Grimaud		Mr. Frédéric Jacotot	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**
Remuneration payable for the period	€644,400.34	€648,797.02	€408,759.85	€414,979.50	€227,469.91	€226,182.44
Measurement of multi-year variable remuneration granted in the period	€0	€0	€0	€0	€0	€0
Measurement of options granted in the period	€0	€0	€0	€0	€0	€0
Measurement of free Valneva SE ordinary shares granted in the period	€0	€0	€0	€0	€0	€0
Measurement of FCPS granted in the period	€0	€559,301	€0	€464,826	€0	€464,826
TOTAL	**€644,400.34**	**€1,208,098.02**	**€408,759.85**	**€879,805.50**	**€227,469.91**	**€691,008.44**

	Mr. David Lawrence		Mr. Wolfgang Bender	
	2018	**2017**	**2018**	**2017**
Remuneration payable for the period	€460,451.10	€467,276.72	€470,923.43	€469,448.21
Measurement of multi-year variable remuneration granted in the period	€0	€0	€0	€0
Measurement of options granted in the period	€0	€0	€0	€0
Measurement of free Valneva SE ordinary shares granted in the period	€0	€0	€0	€0
Measurement of FCPS granted in the period	€0	€464,826	€0	€464,826
TOTAL	**€460,451.10**	**€932,102.72**	**€470,923.43**	**€934,274.21**

(b) Presentation of individual remuneration[23]

Mr. Thomas Lingelbach - Chairman of the Management Board of Valneva SE, President & CEO [24]

	2018		2017	
	Amounts due	**Amounts paid**	**Amounts due**	**Amounts paid**
Fixed remuneration	€377,181 (in accordance with the decision of the Company's Supervisory Board of March 20, 2018) Payable in 14 equal installments	€377,181	€367,050.04 (in accordance with the decision of the Company's Supervisory Board of January 27, 2017) Payable in 14 equal installments	€367,050.04
Annual variable remuneration	Maximum 60% of gross annual salary *i.e.* €226,308.60 (with respect to 2018 objectives)	€165,172.50 (Amount paid with respect to 2017 objectives - validation by the Supervisory Board on January 23, 2018 of 75% of the objectives)	Maximum 60% of gross annual salary *i.e.* €220,230.02 (with respect to 2017 objectives)	€167,138.83 (Amount paid with respect to 2016 objectives - validation by the Supervisory Board on January 27, 2017 of 85% of the objectives)
Multi-year variable remuneration	€0	€0	€0	€0
Exceptional remuneration	€0	€22,023	10% of the maximum annual variable remuneration due in 2017, *i.e.* €22,023 (in accordance with the decision of the Company's Supervisory Board of January 23, 2018)	€29,495.09 (Amount paid with respect to the 15% exceptional bonus calculated on the maximum annual variable remuneration due in 2016, validated by the Supervisory Board on January 27, 2017)
Attendance fees	€0	€0	€0	€0
Fringe benefits:				
▪ **Car rental**	+ Lease fee: maximum €1,100 per month, or €13,200 for the year 2018 ▪ Insurance: €3,338.69 for a complete year of insurance ▪ Other car related expenses: €6,725.73	€23,668.12 *i.e.* ▪ €13,603.70 for the car leasing (including €403.70 borne by the corporate officer) ▪ €3,338.69 for the car insurance ▪ €6,725.73 for other car related expenses (except fuel)	+ Lease fee: maximum €1,100 per month, or €13,200 for the year 2017 ▪ Insurance: €2,962.26 for a complete year of insurance ▪ Other car related expenses: €5,898.66	€23,212.24 *i.e.* ▪ €14,351.32 for the car leasing (including €2,000.32 of exceptional costs for termination of a previous lease agreement) ▪ €2,962.26 for the car insurance ▪ €5,898.66 for other car related expenses (except fuel)
▪ **Death and endowment insurance policy**	Maximum €1,000 per month, or €12,000 for the year 2018	€12,000	Maximum €1,000 per month, or €12,000 for the year 2017	€12,000
▪ **Reimbursement of home-workplace journeys made by flights and of associated costs[25]**	€5,646.32	€5,646.32	€5,433.04	€5,433.04
TOTAL	**€644,400.34**	**€605,690.94**	**€648,797.02**	**€604,329.24**

[23] For a description of the variable or exceptional remuneration rules applicable to the corporate officers, please refer to the paragraph "Variable or exceptional remuneration rules applicable to the Management Board members", in Section 6.1 of this Report by the Supervisory Board on the Corporate Governance.

[24] Amounts set and paid in accordance with (a) the provisions of the Management Agreement executed between Mr. Thomas Lingelbach and the subsidiary Valneva Austria GmbH (as amended), entered into force on June 25, 2015, and (b) the Company's Supervisory Board decisions, as applicable.

[25] The current Management Agreement executed between Mr. Thomas Lingelbach and the subsidiary Valneva Austria GmbH provides that Mr. Lingelbach be reimbursed for the costs of weekend flights between hometowns in Germany and Austria and sites of Valneva, these costs including the transfers from and to the airport.

Mr. Franck Grimaud - Management Board member, President & CBO of Valneva SE[26]

	2018		2017	
	Amounts due	**Amounts paid**	**Amounts due**	**Amounts paid**
Fixed remuneration	€257,470.08 (in accordance with the decision of the Company's Supervisory Board held on March 20, 2018) Payable in 12 installments	€257,470.08	€253,166.04 (in accordance with the decision of the Company's Supervisory Board held on January 27, 2017) Payable in 12 installments	€253,166.04
Annual variable remuneration	Maximum 50% of gross annual salary, *i.e.* €128,735.04 (with respect to 2018 objectives)	€94,937.25 (Amount paid with respect to 2017 objectives - validation by the Supervisory Board on January 23, 2018 of 75% of the objectives)	Maximum 50% of gross annual salary, *i.e.* €126,583.02 (with respect to 2017 objectives)	€103,632.76 (Amount paid with respect to 2016 objectives - validation by the Supervisory Board on January 27, 2017 of 85% of the objectives)
Multi-year variable remuneration	€0	€0	€0	€0
Exceptional remuneration	€0	€12,658.30	10% of the maximum annual variable remuneration due in 2017, *i.e.* 12,658.30 (in accordance with the decision of the Company's Supervisory Board of January 23, 2018)	€18,288.13 (Amount paid with respect to the 15% exceptional bonus calculated on the maximum annual variable remuneration due in 2016, validated by the Supervisory Board on January 27, 2017)
Attendance fees	€0	€0	€0	€0
Fringe benefits:				
▪ **Car rental**	▪ Lease fee: maximum €1,100 per month, or €13,200 for the year 2018 ▪ Insurance: €1,623.73	€12,589.62 *i.e.* ▪ €10,965.89 for the car leasing ▪ €1,623.73 for the car insurance	▪ Lease fee: maximum €1,100 per month, or €13,200 for the year 2017 ▪ Insurance: €1,714.14 € ▪ Tax on company cars: ("**TVTS**") €25	€15,000.74 *i.e.* ▪ €13,261.60 for the car leasing (including €1,480.43 of exceptional costs for amendment to the leasing agreement) ▪ €1,714.14 for the car insurance ▪ TVTS : €25
▪ **GSC**[27]	€7,731	€7,731	€7,633	€7,633
TOTAL	**€408,759.85**	**€385,386.25**	**€414,979.50**	**€397,720.67**

[26] Amounts set and paid in accordance with (a) the provisions of the Management Agreement executed between Mr. Franck Grimaud and Valneva SE (as amended), entered into force at the end of the Combined General Meeting called on June 30, 2016 for the purpose of approving the financial statements for the fiscal year ended 31 December, 2015, and (b) the Company's Supervisory Board decisions, as applicable.

[27] A Social Insurance Contract for Company Directors and Managers (*Convention Garantie Sociale des Chefs et Dirigeants d'Entreprise*) has been granted to Mr. Franck Grimaud. The purpose of this contract is to guarantee the payment of compensation in case of unemployment (up to 70% of the last professional net income filed with the tax authorities). This GSC was set up pursuant to an authorization of the Board of Directors of October 26, 2000. The expense incurred by the Company for 2018 for the GSC was €7,731, compared to €7,633 for 2017.

Mr. Frédéric Jacotot - Management Board member at Valneva SE, General Counsel & Corporate Secretary[28]

	2018[29]		**2017**[30]	
	Amounts due	**Amounts paid**	**Amounts due**	**Amounts paid**
Fixed remuneration	▪ Remuneration due with respect to the employment agreement: €159,206.35 ▪ Additional compensation due with respect to the Management Board member position: €45,509.04 (in accordance with the decision of the Company's Supervisory Board held on March 20, 2018) Payable in 12 installments	€204,715.39 *i.e.* ▪ €159,206.35 with respect to the employment agreement ▪ €45,509.04 with respect to the Management Board member position	▪ Remuneration due with respect to the employment agreement: €156,823.04 ▪ Additional compensation due with respect to the Management Board member position: €44,748 (in accordance with the decision of the Company's Supervisory Board held on August 1, 2017) Payable in 12 installments	€175,468.04 *i.e.* ▪ €156,823.04 with respect to the employment agreement ▪ €18,645 with respect to the Management Board member position
Annual variable remuneration	Maximum 50% of the additional compensation due with respect to the Management Board member position, *i.e.* €22,754.52 (with respect to 2018 objectives)	€38,774.41 paid with respect to his 2017 employee objectives €6,991.88 paid with respect to his 2017 Management Board objectives - validation by the Supervisory Board on January 23, 2018 of 75% of the objectives)	Maximum 50% of the additional compensation due with respect to the Management Board member position, *i.e.* €22,374 (with respect to 2017 objectives) (in accordance with the decision of the Company's Supervisory Board held on August 1, 2017)	€43,650 (paid with respect to his 2016 employee objectives)
Multi-year variable remuneration	€0	€0	€0	€0
Exceptional remuneration	€0	€932.25	10% of the maximum annual variable remuneration due in 2017, *i.e.* 2,237.40 (in accordance with the decision of the Company's Supervisory Board of January 23, 2018)	€0
Attendance fees	€0	€0	€0	€0
Fringe benefits	€0	€0	€0	€0
TOTAL	**€227,469.91**	**€251,413.93**	**€226,182.44**	**€219,118.04**

[28] Amounts set and paid in accordance with the Company's Supervisory Board decisions.

[29] Amounts in the column "Amounts due" are given on a full civil year basis, while amounts in column "Amounts paid" takes into consideration the starting date for the payment of remuneration to Mr. Frédéric Jacotot in his capacity as member of the Management Board, *i.e.* August 1, 2017.

[30] *Idem*.

Mr. David Lawrence - Management Board member at Valneva SE, CFO

	2018[31]		**2017**[32]	
	Amounts due	**Amounts paid**	**Amounts due**	**Amounts paid**
Fixed compensation	€269,505 (in accordance with the decision of the Company's Supervisory Board held on March 20, 2018) Payable in 12 installments	€269,505	€265,000 *i.e.* ▪ €159,000 with respect to the Management Agreement executed with Valneva SE ▪ €106,000 with respect to the Management Agreement executed with Valneva Austria GmbH Payable in 12 or 14 installments, depending on the case	€107,110.61 *i.e.* ▪ €64,619.26 with respect to the Management Agreement executed with Valneva SE ▪ €42,491.35 with respect to the Management Agreement executed with Valneva Austria GmbH
Annual variable remuneration	Maximum 50% of gross annual salary, *i.e.* €134,752.50 (with respect to 2018 objectives)	€41,406.25 (Amount paid with respect to 2017 objectives - validation by the Supervisory Board on January 23, 2018 of 75% of the objectives) *i.e.* ▪ €24,843.75 with respect to the Management Agreement executed with Valneva SE ▪ €16,562.50 with respect to the Management Agreement executed with Valneva Austria GmbH	Maximum 50% of gross annual salary, *i.e.* €132,500 (with respect to 2017 objectives) *i.e.* ▪ €79,500 with respect to the Management Agreement executed with Valneva SE ▪ €53,000 with respect to the Management Agreement executed with Valneva Austria GmbH	€0
Multi-year variable remuneration	€0	€0	€0	€0
Exceptional remuneration	€0	€5,520.83 *i.e.* ▪ €3,312.50 with respect to the Management Agreement executed with Valneva SE ▪ €2,208.33 with respect to the Management Agreement executed with Valneva Austria GmbH	10% of the maximum annual variable remuneration due in 2017, *i.e.* 13,250 (in accordance with the decision of the Company's Supervisory Board of January 23, 2018)	€0
Attendance fees	€0	€0	€0	€0
Fringe benefits:				
▪ **Contribution to UK pension plan**	15% of gross annual salary, *i.e.* €40,425.75	€40,425.75	15% of gross annual salary, *i.e.* €39,750 including ▪ €23,850 with respect to the Management Agreement executed with Valneva SE ▪ €15,900 with respect to the Management Agreement executed with Valneva Austria GmbH	€16,066.59 *i.e.* ▪ €9,692.89 with respect to the Management Agreement executed with Valneva SE ▪ €6,373.70 with respect to the Management Agreement executed with Valneva Austria GmbH
▪ **Reimbursement of home-workplace journeys made by flights and of associated costs**[33]	€3,767.85	€3,767.85	€4,776.72	€4,776.72
▪ **Car allowance**	€1,000 per month, or €12,000 for the year 2018	€12,000	€1,000 per month, or €12,000 for the year 2017	€4,806.45
TOTAL	**€460,451.10**	**€372,625.68**	**€467,276.72**	**€132,760.37**

[31] Amounts set and paid in accordance with (a) the provisions of the Management Agreement executed between Mr. David Lawrence and the Company (as amended), in force since August 7, 2017, and (b) the Company's Supervisory Board decisions, as applicable. Amounts in the column "Amounts due" are given on a full civil year basis, while amounts in column "Amounts paid" takes into consideration the starting date of Mr. David Lawrence's office and position set in his Management Agreements, *i.e.* August 7, 2017.

[32] Amounts set and paid in accordance with (a) the provisions of the Management Agreements executed, on the one hand, between Mr. David Lawrence and the Company (as amended), and on the other hand, between Mr. David Lawrence and the subsidiary Valneva Austria GmbH, in force since August 7, 2017, and (b) the Company's Supervisory Board decisions, as applicable. Amounts in the column "Amounts due" are given on a full civil year basis, while amounts in column "Amounts paid" takes into consideration the starting date of Mr. David Lawrence's office and position set in his Management Agreements, *i.e.* August 7, 2017.

[33] Reimbursement for the travel costs for Mr. Lawrence, between hometown in the United-Kingdom and Austria or France, as applicable.

Mr. Wolfgang Bender - Management Board member at Valneva SE, CMO[34]

	2018[35]		**2017**[36]	
	Amounts due	**Amounts paid**	**Amounts due**	**Amounts paid**
Fixed compensation	€286,540.94 *i.e.* ▪ €113,904 with respect to the Management Agreement executed with Valneva SE ▪ €172,636.94 with respect to the Management Agreement executed with Valneva Austria GmbH (in accordance with the decision of the Company's Supervisory Board held on March 20, 2018) Payable in 12 or 14 installments, depending on the case	€286,540.94 *i.e.* ▪ €113,904 with respect to the Management Agreement executed with Valneva SE ▪ €172,636.94 with respect to the Management Agreement executed with Valneva Austria GmbH	€280,000 *i.e.* ▪ €112,000 with respect to the Management Agreement executed with Valneva SE ▪ €168,000 with respect to the Management Agreement executed with Valneva Austria GmbH Payable in 12 or 14 installments, depending on the case	€93,355.24 *i.e.* ▪ €37,333.32 with respect to the Management Agreement executed with Valneva SE ▪ €56,021.92 with respect to the Management Agreement executed with Valneva Austria GmbH
Annual variable remuneration	Maximum 50% of gross annual salary, *i.e.* €143,270.47 (with respect to 2018 objectives) *i.e.* ▪ €56,952 with respect to the Management Agreement executed with Valneva SE ▪ €86,318.47 with respect to the Management Agreement executed with Valneva Austria GmbH	€35,000 (with respect to 2017 objectives - validation by the Supervisory Board on January 23, 2018 of 75% of the objectives) *i.e.* ▪ €14,000 with respect to the Management Agreement executed with Valneva SE ▪ €21,000 with respect to the Management Agreement executed with Valneva Austria GmbH	Maximum 50% of gross annual salary, *i.e.* €140,000 (with respect to 2017 objectives) *i.e.* ▪ €56,000 with respect to the Management Agreement executed with Valneva SE ▪ €84,000 with respect to the Management Agreement executed with Valneva Austria GmbH	€0
Multi-year variable remuneration	€0	€0	€0	€0
Exceptional remuneration	€0	€4,666.67 *i.e.* + €1,866.67 with respect to the Management Agreement executed with Valneva SE + €2,800 with respect to the Management Agreement executed with Valneva Austria GmbH	10% of the maximum annual variable remuneration due in 2017, *i.e.* 14,000 (in accordance with the decision of the Company's Supervisory Board of January 23, 2018)	€0
Attendance fees	€0	€0	€0	€0
Fringe benefits:				
▪ **Contribution to German health insurance and pension plan**	€12,000 per year *i.e.* ▪ €4,800 with respect to the Management Agreement executed with Valneva SE ▪ €7,200 with respect to the Management Agreement executed with Valneva Austria GmbH	€11,655.96 *i.e.* ▪ €4,662.36 with respect to the Management Agreement executed with Valneva SE ▪ €6,993.60 with respect to the Management Agreement executed with Valneva Austria GmbH	€12,000 per year *i.e.* €4,800 with respect to the Management Agreement executed with Valneva SE €7,200 with respect to the Management Agreement executed with Valneva Austria GmbH	€3,820.28 *i.e.* €1,528.12 with respect to the Management Agreement executed with Valneva SE €2,292.16 with respect to the Management Agreement executed with Valneva Austria GmbH
▪ **Reimbursement of home-workplace journeys made by flights and of associated costs**[37]	€17,112.02	€17,112.02	€11,448.21	€11,448.21
▪ **Car allowance**	€1,000 per month, or €12,000 for the year 2018	€12,000	€1,000 per month, or €12,000 for the year 2017	€4,000
TOTAL	**€470,923.43**	**€366,975.59**	**€469,448.21**	**€112,623.73**

[34] Amounts set and paid in accordance with (a) the provisions of the Management Agreements executed, on the one hand, between Mr. Wolfgang Bender and the Company, and on the other hand, between Mr. Wolfgang Bender and the subsidiary Valneva Austria GmbH, in force since September 1, 2017, and (b) the Company's Supervisory Board decisions, as applicable.

[35] Amounts in the column "Amounts due" are given on a full civil year basis, while amounts in column "Amounts paid" takes into consideration the starting date of Mr. Wolfgang Bender's office and position set in his Management Agreements, *i.e.* September 1, 2017.

[36] *Idem*.

[37] Reimbursement for the travel costs for Mr. Bender, between hometown in Germany and Austria.

(c) Options to subscribe for or purchase shares and free shares

The Company has been offering employees stock options or free shares (restricted shares) through a series of plans established with the objective of promoting employee motivation and retention[38]. In consequence, it applies the first part of the Recommendation No. 18 of the MiddleNext Code on stock options and free shares. The number of such instruments granted to each employee notably depends on his or her job category.

In the past, awards of these instruments to corporate officers were linked to the achievement of major goals set by the Company. However, certain awards were decided without reference to performance criteria. In this respect, the Company does not always apply second part of the Recommendation No. 18 of the MiddleNext Code on the exercise and vesting conditions for such instruments. Nevertheless, in the context of the recent free convertible preferred share programs to which corporate officers and senior executives participate, the conversion into ordinary shares depends on the stock price at program maturity. In this respect, a performance criterion therefore exists. In addition, the Company links the full vesting of shares or the exercise of stock options to the presence of the beneficiary within the Group (except in case of divestitures, where exceptions were approved by the Company's Management Board), because the primary objective of the Company is to provide incentives for the retention of its officers and key managers. In this way, the Company ensures that it provides an attractive level of compensation within the Group in line with levels generally prevailing in the pharmaceutical industry. Indeed, because the Company cannot provide the same level of salary as that generally prevailing in the pharmaceutical industry, grants of stock options and/or free shares provides a means for offsetting this difference.

Corporate officers are subject lockup requirements for a percentage of free shares or shares resulting from the exercise of stock option (usually 20%) until such time as they no longer exercise their office.

Most stock option plans do not include a discount on the exercise price. However, the 2013 stock option plan provided for a 10% discount on the average Euronext Paris closing Valneva share price over the twenty trading days immediately preceding the date the options were granted.

Since 2015, the Company decided that its stock option plans would primarily be for the benefit of non-executive employees, while members of the Management Board and the Management Committee (or formerly "Executive Committee), as well as the Manufacturing site Heads (since 2017), would have the opportunity to participate in 4-year free convertible preferred share programs that requires a personal investment.

Options to subscribe for or purchase shares

Options to subscribe for or purchase shares granted by the Company to Management Board members in 2018

None of the Management Board members received stock options to subscribe for or purchase shares during the fiscal year 2018.

Options to subscribe for or purchase shares of the Company exercised by Management Board members in 2018

None of the Management Board members exercised stock options to subscribe for or purchase shares during the fiscal year 2018.

***

Considering the foregoing, tables 4 & 5 of Annex 2 of the AMF Position-Recommandation No. 2014-04 are non-applicable.

[38] See Paragraph "Options to subscribe for or purchase shares" below.

Stock option plans history

The majority of the Company's employees benefits from Valneva SE stock options. However, the Company never launched any plan for stock purchase options.

At December 31, 2018, for all Company plans combined, 2,859,850 stock options were outstanding, permitting the subscription for 2,927,662 new Valneva SE ordinary shares[39], representing a potential nominal increase in the share capital of €439,149.30 (or a maximum potential dilution of 3.18%[40] of the Company's share capital).

Highlights of Company stock option plans in force in 2018 are presented below:

Plan 6	
Grant decision date	**General Meeting:** June 9, 2009 **Management Board meeting**: October 1, 2010
Number of beneficiaries at launch of plan	1
Duration of plan (as from the date of the decision of the Board of Directors or Management Board)	Until October 1, 2020
Maximum amount authorized by the General Meeting	Authorization to grant a maximum number of 290,000 stock options
Subscription price	€4.72[41]
Option/share conversion ratio	1 : 1.099617653 (then rounded-up)[42]
Stock options granted to employees and/or corporate officers by the Board of Directors or Management Board at launch of plan	14,000
Starting date for the exercise of options	According to objectives
Stock options exercised at December 31, 2018	0
Shares subscribed for at December 31, 2018 by exercising stock options	0
Outstanding stock options not yet exercised at December 31, 2018	7,000 (all available for exercise)
Of which outstanding stock options held by corporate officers	0
Shares potentially available for subscription at December 31, 2018 from outstanding stock options	7,698
Stock options having lapsed at December 31, 2018	7,000
Stock options remaining to be granted at December 31, 2018 under the General Meeting's authorization - Authorization status	0 - Authorization expired
Theoretical number of shares available for take up at December 31, 2018, if the Board of Directors or Management Board makes use of the remainder amount under the General Meeting's authorization	0

[39] Provided that all stock options become available for exercise.

[40] This figure is calculated in reference to a share capital totaling 92,106,952 Valneva SE shares, divided into (a) 90,917,048 ordinary shares (ISIN FR0004056851) with a par value of €0.15 each, (b) 17,836,719 preferred shares (ISIN FR0011472943) with a par value of €0.01 each, written down to a par value of €0.15, and (c) 789 convertible preferred shares (ISIN XFCS00X0I9M1), with a par value of €0.15 each.

[41] Subscription price has been revised in accordance with the decision of the Company's Management Board of February 25, 2015.

[42] Conversion ratio has been revised in accordance with the decision of the Company's Management Board of February 25, 2015.

Plan 7	
Grant decision date	**General Meeting:** June 28, 2013
	Management Board meeting: October 2, 2013
Number of beneficiaries at launch of plan	293
Duration of plan (as from the date of the decision of the Board of Directors or Management Board)	Until October 2, 2023
Maximum amount authorized by the General Meeting	Authorization to grant an amount of stock options conferring a right to subscribe to a total number of shares representing 4% maximum of the Company's share capital on the date the capital increase is adopted under the terms of the 9th resolution of Valneva's Combined General Meeting of March 7, 2014[43]
Subscription price	€2.919[44]
Option/share conversion ratio	1 : 1.099617653 (then rounded-up for each beneficiary)[45]
Stock options granted to employees and/or corporate officers by the Board of Directors or Management Board at launch of plan	1,052,950
Starting date for the exercise of options[46]	October 2, 2015 & October 2, 2017
Stock options exercised at December 31, 2018	0
Shares subscribed for at December 31, 2018 by exercising stock options	0
Outstanding stock options not yet exercised at December 31, 2018	672,850 (all available for exercise)
Of which outstanding stock options held by corporate officers	210,000
Shares potentially available for subscription at December 31, 2018 from outstanding stock options	739,964
Stock options having lapsed at December 31, 2018	380,100
Stock options remaining to be granted at December 31, 2018 under the General Meeting's authorization - Authorization status	0 - Authorization declared null and void by the Combined General Meeting of June 26, 2014
Theoretical number of shares available for take up at December 31, 2018, if the Board of Directors or Management Board makes use of the remainder amount under the General Meeting's authorization	0
Plan 8	
Grant decision date	**General Meeting:** June 26, 2014
	Management Board meeting: July 28, 2015
Number of beneficiaries at launch of plan	259
Duration of plan (as from the date of the decision of the Board of Directors or Management Board)	Until July 28, 2025
Maximum amount authorized by the General Meeting	Authorization to grant an amount of stock options conferring a right to subscribe to a total number of shares representing 4% maximum of the Company's share capital on the date of the stock option grant
Subscription price	€3.92
Option/share conversion ratio	1 : 1
Stock options granted to employees and/or corporate officers by the Board of Directors or Management Board at launch of plan	712,000
Starting date for the exercise of options	July 28, 2017 & July 28, 2019[47]
Stock options exercised at December 31, 2018	0
Shares subscribed for at December 31, 2018 by exercising stock options	0
Outstanding stock options not yet exercised at December 31, 2018	577,500 (including 288,750 stock options available for exercise)
Of which outstanding stock options held by corporate officers	100,000 (including 50,000 stock options available for exercise)
Shares potentially available for subscription at December 31, 2018 from outstanding stock options	577,500 (including 288,750 shares which can be subscribed from stock options available for exercise)
Stock options having lapsed at December 31, 2018	134,500
Stock options remaining to be granted at December 31, 2018 under the General Meeting's authorization - Authorization status	0 - Authorization declared null and void by the Combined General Meeting of June 30, 2016
Theoretical number of shares available for take up at December 31, 2018, if the Board of Directors or Management Board makes use of the remainder amount under the General Meeting's authorization	0

[43] At the Supervisory Board's meeting of the Company held on August 29, 2013, the number of stock options was set at 2,231,356.

[44] Subscription price has been revised in accordance with the decision of the Company's Management Board of February 25, 2015.

[45] Conversion ratio has been revised in accordance with the decision of the Company's Management Board of February 25, 2015.

[46] 50% of options may be exercised after being held for 2 years by their beneficiary; the remaining 50% becoming available for exercise after being held for 4 years.

[47] *Idem*.

Plan 9	
Grant decision date	**General Meeting:** June 30, 2016 **Management Board meeting**: October 7, 2016
Number of beneficiaries at launch of plan	402
Duration of plan (as from the date of the decision of the Board of Directors or Management Board)	Until October 7, 2026
Maximum amount authorized by the General Meeting	Authorization to grant an amount of stock options conferring a right to subscribe to a total number of shares representing 4% maximum of the Company's share capital on the date of the stock option grant
Subscription price	€2.71
Option/share conversion ratio	1 : 1
Stock options granted to employees and/or corporate officers by the Board of Directors or Management Board at launch of plan	584,250
Starting date for the exercise of options	October 7, 2018 & October 7, 2020[48]
Stock options exercised at December 31, 2018	0
Shares subscribed for at December 31, 2018 by exercising stock options	0
Outstanding stock options not yet exercised at December 31, 2018	450,750 (including 225,375 stock options available for exercise)
Of which outstanding stock options held by corporate officers	0
Shares potentially available for subscription at December 31, 2018 from outstanding stock options	450,750 (including 225,375 shares which can be subscribed from stock options available for exercise)
Stock options having lapsed at December 31, 2018	133,500
Stock options remaining to be granted at December 31, 2018 under the General Meeting's authorization - Authorization status	0 - Authorization declared null and void by the Combined General Meeting of June 28, 2018
Theoretical number of shares available for take up at December 31, 2018, if the Board of Directors or Management Board makes use of the remainder amount under the General Meeting's authorization	0

Plan 10	
Grant decision date	**General Meeting:** June 30, 2016 **Management Board meeting**: December 7, 2017
Number of beneficiaries at launch of plan	424
Duration of plan (as from the date of the decision of the Board of Directors or Management Board)	Until December 7, 2027
Maximum amount authorized by the General Meeting	Authorization to grant an amount of stock options conferring a right to subscribe to a total number of shares representing 4% maximum of the Company's share capital on the date of the stock option grant
Subscription price	€2.85
Option/share conversion ratio	1 : 1
Stock options granted to employees and/or corporate officers by the Board of Directors or Management Board at launch of plan	1,269,500
Starting date for the exercise of options	December 7, 2019 & December 7, 2021[49]
Stock options exercised at December 31, 2018	0
Shares subscribed for at December 31, 2018 by exercising stock options	0
Outstanding stock options not yet exercised at December 31, 2018	1,151,750 (none available for exercise)
Of which outstanding stock options held by corporate officers	0
Shares potentially available for subscription at December 31, 2018 from outstanding stock options	1,151,750
Stock options having lapsed at December 31, 2018	117,750
Stock options remaining to be granted at December 31, 2018 under the General Meeting's authorization - Authorization status	0 - Authorization declared null and void by the Combined General Meeting of June 28, 2018
Theoretical number of shares available for take up at December 31, 2018, if the Board of Directors or Management Board makes use of the remainder amount under the General Meeting's authorization	0

[48] *Idem.*

[49] *Idem.*

Free shares (ordinary shares or convertible preferred shares)

Valneva SE ordinary shares

Free ordinary shares granted to the Management Board members in 2018

None of the Management Board members received Valneva SE free ordinary shares during the fiscal year 2018.

Valneva SE free ordinary shares fully vested in and delivered to Management Board members in 2018

No free ordinary shares were transferred to Management Board members in the form of new Valneva SE ordinary shares during the fiscal year 2018.

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Considering the foregoing, tables 6 & 7 of Annex 2 of the AMF Position-Recommandation No. 2014-04 are non-applicable.

Valneva SE convertible preferred shares

Free convertible preferred shares granted to the Management Board members in 2018

None of the Management Board members received free convertible preferred shares from the Company during the fiscal year 2018.

Free convertible preferred shares fully vested in and delivered to Management Board members in 2018

No free convertible preferred share were transferred to Management Board members and converted into new Valneva SE ordinary shares during the fiscal year 2018.

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Considering the foregoing, tables 6 & 7 of Annex 2 of the AMF Position-Recommandation No. 2014-04 are non-applicable.

Free share plans history

Free ordinary share plans

There were no remaining free share plans in force during the fiscal year 2018 within the Valneva Group. As a consequence, table 10 of Annex 2 of the AMF Position-Recommandation No. 2014-04 is non-applicable.

Free convertible preferred share program 2015-2019

On June 25, 2015, Valneva SE's General Meeting decided to create convertible preferred shares in accordance with the terms and conditions set out in its resolution No. 17, and to grant to the Management Board of the Company all powers necessary to decide the granting and issuance of free convertible preferred shares for the benefit of Management Board members and key employees (resolution No. 20).

Consequently, on July 28, 2015, the Management Board implemented the free convertible preferred share program 2015-2019, a long-term incentive plan for the Company's executive management.

Personal investment

As a prerequisite to the possibility of participating in the program, each potential beneficiary was required to make a cash investment in the Company, by subscribing for convertible preferred shares at a price of €161.0 each ("**SPS**").

Minimum and maximum investment amounts were defined for each participant.

The maximum number of SPS to be granted by the Management Board was set at 2,000 by the Company's General Meeting held on June 25, 2015 (resolution No. 18)[50].

The Management Board, during its meeting held on July 17, 2015, granted 1,280 SPS, as follows:

Beneficiaries	Position at the grant date	SPS granted by the Management Board to participants	Maximum investment (in euros)
Mr. Thomas Lingelbach	Chairman of the Management Board	308	49,588
Mr. Franck Grimaud	Member of the Management Board	218	35,098
Mr. Reinhard Kandera	Member of the Management Board	218	35,098
Other beneficiaries (Executive Committee members at the time of the grant) (in total)		536	86,296
TOTAL		**1,280**	**206,080**

SPS minimum and maximum subscription

- Management Board members:
  - CEO: the CEO, Mr. Thomas Lingelbach, was granted the possibility to subscribe for 154 SPS to 308 SPS;
  - Management Board members other than the CEO were granted the possibility to subscribe for 109 SPS to 218 SPS.
- The other beneficiaries were granted the possibility to subscribe for 33 SPS to 67 SPS.

On July 28, 2015, the Management Board of the Company recorded the subscription of 1,074 SPS, and waivers for the remainder, *i.e.* 206 SPS:

Beneficiaries	Position at the subscription date	SPS granted by the Management Board to the participants, on July 17, 2015	SPS subscribed for by beneficiaries	Subscription amount (in euros)
Mr. Thomas Lingelbach	Chairman of the Management Board	308	308	49,588
Mr. Franck Grimaud	Member of the Management Board	218	218	35,098
Mr. Reinhard Kandera	Member of the Management Board	218	218	35,098
Other beneficiaries (Executive Committee members at the time of the subscription) (in total)		536	330	53,130
TOTAL		**1,280**	**1,074**	**172,914**

Free convertible preferred shares awards

The maximum number of free convertible preferred shares that may be granted by the Management Board was capped at 5.5% of the share capital of the Company as at the date of the Management

[50] It being understood that in any case, the total number of issued convertible preferred shares (SPS or FCPS) cannot at any time represent together more than 6% of the share capital of the Company.

Board's grant decision, by the General Meeting of the Company held on June 25, 2015 (resolution No. 20)[51].

Following the subscription of SPS, the Management Board, in its meeting held on July 28, 2015, conditionally granted the program beneficiaries a number of free convertible preferred shares corresponding to a ratio of 25 free convertible preferred shares to 1 SPS, as follows:

Beneficiaries	Position at the grant date	FCPS granted to beneficiaries
Mr. Thomas Lingelbach	Chairman of the Management Board	7,700
Mr. Franck Grimaud	Member of the Management Board	5,450
Mr. Reinhard Kandera	Member of the Management Board	5,450
Other beneficiaries (Executive Committee members at the time of the grant) (in total)		8,250
TOTAL		**26,850**

The free convertible preferred shares granted to the beneficiaries will be transferred to that beneficiary upon expiration of a period of 4 years from July 28, 2015, subject to certain conditions of presence. In this respect it must be noted that Mr. Reinhard Kandera and another beneficiary outside the Management Board resigned in February 2017. Consequently, the transfer of their free convertible preferred shares became null and their SPS (285 in total) have been be bought back by Valneva SE at their par value, before cancellation, in accordance with the Company's Articles of Association.

The remaining SPS and FCPS under the free convertible preferred share program 2015-2019 are now as follows:

Beneficiaries	Position	SPS	FCPS
Mr. Thomas Lingelbach	Chairman of the Management Board	308	7,700
Mr. Franck Grimaud	Member of the Management Board	218	5,450
Mr. Frédéric Jacotot	Member of the Management Board	67	1,675
Other beneficiaries (now Management Committee members) (in total)		196	4,900
TOTAL		**789**	**19,725**

Conversion of convertible preferred shares (FCPS and SPS) into ordinary shares of the Company

SPS and free convertible preferred shares will be convertible into Valneva SE ordinary shares 4 years after their issuance (with respect to the SPS) or their initial granting (with respect to the free convertible preferred shares), if the conversion conditions set out below are met. Subject to such conditions, if the beneficiary does not request conversion of his/her convertible preferred shares within a period of 3 months after expiration of that 4-year period, SPS and free convertible preferred shares will automatically convert into Valneva SE ordinary shares at the end of that 3-month period.

Upon expiration of the above-mentioned 4-year period (the "**Conversion Date**"), the Management Board will determine the conversion ratio, on the basis of (a) the Final Share Price (as hereinafter defined) and (b) the conversion table below.

The "**Final Share Price**" will be the volume-weighted average stock market price of the Company's ordinary shares over a period of 6 months immediately preceding the Conversion Date, as rounded to the second decimal place (*e.g.* 6.2450 to be rounded to 6.25).

[51] The total number of issued convertible preferred shares (SPS and FCPS) cannot at any time represent together more than 6% of the share capital of the Company.

No conversion will occur if the Final Share Price is lower than €4.05. If the Final Share Price is higher than €10.0, the conversion ratio will be such that the beneficiaries' gross gain will not exceed the gross gain they would have realized if the Final Share Price was €10.0.

Where the total number of ordinary shares to be received by a holder of convertible preferred shares by applying the conversion ratio to the number of convertible preferred shares held is not a whole number, that holder will receive the next lower whole number of ordinary shares. The fraction of ordinary shares forming a fractional lot shall be paid in cash.

Conversion Table

Final Share price	Share price increase	Conversion ratio (number of ordinary shares for 1 convertible preferred share)	Final Share price	Share price increase	Conversion ratio (number of ordinary shares for 1 convertible preferred share)
4.05	1%	0.83	10.25	156%	97.56
4.10	2%	1.67	10.50	163%	95.24
4.25	6%	4.17	10.75	169%	93.02
4.50	13%	8.33	11.00	175%	90.91
4.75	19%	12.5	12.00	200%	83.33
5.00	25%	16.67	12.25	206%	81.63
5.25	31%	20.83	12.50	213%	80
5.50	38%	25	12.75	219%	78.43
5.75	44%	29.17	13.00	225%	76.92
6.00	50%	33.33	13.25	231%	75.47
6.25	56%	37.50	13.50	238%	74.07
6.50	63%	41.67	13.75	244%	72.73
6.75	69%	45.83	14.00	250%	71.43
7.00	75%	50			
7.25	81%	54.17			
7.50	88%	58.33			
7.75	94%	62.5			
8.00	100%	66.67			
8.25	106%	70.83			
8.50	113%	75			
8.75	119%	79.17			
9.00	125%	83.33			
9.25	131%	87.50			
9.50	138%	91.67			
9.75	144%	95.83			
10.00	150%	100			

Note: if the Final Share Price is between two of the numbers set forth above, the number of ordinary shares to be received for one convertible preferred share will be calculated on a linear basis and rounded down to the nearest number with 2 decimal digits.

In any case, all SPS cannot give rights to more than 200,000 ordinary shares of the Company and all free convertible preferred shares cannot give rights to more than 4,000,000 ordinary shares of the Company.

If any of the transactions listed in of article 13.3, subparagraph 3, (iii) of the Articles of Association of the Company, including but not limited to any share capital increase by public offering with preferential subscription rights, takes place, the Management Board will adjust the conversion ratio and the conversion table provided above in the manner set forth in the Articles of Association so as to protect the rights of the program beneficiaries.

Free convertible preferred share program 2017-2021

The Combined General Meeting of shareholders of June 29, 2017, in its 26th resolution, had decided to grant the Company's Management Board all powers necessary to decide the granting and issuance of new free convertible preferred shares for the benefit of corporate officers or employees of the Company or its subsidiaries.

On November 30, 2017, the Supervisory Board also authorized the Management Board to grant free convertible preferred shares to members of the Company's Management Board and Executive Committee (today "Management Committee"), as well as to Manufacturing site Heads (collectively with the Management Board members, the "**Executive Managers**"), on condition that the Executive Managers make a prior personal investment in the Company by purchasing Valneva SE ordinary shares.

Consequently, on December 7, 2017, the Management Board implemented the Free Convertible Preferred Share Program 2017-2021, a long-term incentive plan for the Group's Executive Managers.

Personal investment

As a prerequisite to the possibility of participating in the program, each potential beneficiary was required to make a cash investment in the Company, by purchasing Valneva SE ordinary shares:

Beneficiaries	Position	Required investment (in euros)
Mr. Thomas Lingelbach	Chairman of the Management Board - President & CEO	16,510
Mr. Franck Grimaud	Member of the Management Board - President & CBO	13,722
Mr. Frédéric Jacotot	Member of the Management Board - General Counsel & Corporate Secretary	13,722
Mr. David Lawrence	Member of the Management Board - CFO	13,722
Mr. Wolfgang Bender	Member of the Management Board - CMO	13,722
Other Executive Managers (in total)	Executive Committee members (today "Management Committee" members) and Manufacturing site Heads	3,415 each (except for the Senior Vice-President who was required to invest 5,071)

The Management Board decided that in order to participate in the program, the Executive Managers should pay the entire amount stated above within the investment period which started from December 7, 2017 until December 14, 2017 inclusive.

Free convertible preferred shares awards

The Combined General Meeting of June 29, 2017 decided that the maximum number of free convertible preferred shares that may be granted by the Management Board was capped at 3%[52] of the share capital of the Company as at the date of the Management Board's grant decision.

Noting the purchase of Valneva SE ordinary shares as required for the participation to the program, the Management Board, in its meeting held on December 15, 2017, granted the program beneficiaries a number of free convertible preferred shares as follows:

[52] It being understood that the total number of issued convertible preferred shares cannot at any time represent together more than 6% of the share capital of the Company.

Beneficiaries	Position	FCPS granted to the beneficiaries
Mr. Thomas Lingelbach	Chairman of the Management Board - President & CEO	5,596
Mr. Franck Grimaud	Member of the Management Board - President & CBO	4,651
Mr. Frédéric Jacotot	Member of the Management Board - General Counsel & Corporate Secretary	4,651
Mr. David Lawrence	Member of the Management Board - CFO	4,651
Mr. Wolfgang Bender	Member of the Management Board - CMO	4,651
Other Executive Managers (in total)	Executive Committee members (today "Management Committee" members) and Manufacturing site Heads	1,157 each (except for the Senior Vice-President who has received 1,718 FCPS)
TOTAL		**34,017**

The free convertible preferred shares granted to the beneficiaries will be transferred to that beneficiary upon expiration of a period of 4 years from December 15, 2017, subject to certain conditions of presence.

Conversion of free convertible preferred shares into ordinary shares of the Company

The free convertible preferred shares will be convertible into Valneva SE ordinary shares 4 years after their initial granting, if the conversion conditions set out below are met.

Subject to such conditions, if the beneficiary does not request conversion of his/her convertible preferred shares within a period of 3 months after expiration of that 4-year period, the free convertible preferred shares will automatically convert into Valneva SE ordinary shares at the end of that 3-month period.

Upon expiration of the above-mentioned 4-year period (the "**Conversion Date**"), the Management Board will determine the conversion ratio, on the basis of (a) the Final Share Price (as hereinafter defined) and (b) the conversion table below.

The "**Final Share Price**" will be the volume-weighted average stock market price of the Company's ordinary shares over a period of 6 months immediately preceding the Conversion Date, as rounded to the second decimal place (*e.g.* 6.2450 to be rounded to 6.25).

No conversion will occur if the Final Share Price is lower than €4.50. If the Final Share Price is higher than €8.0, the conversion ratio will be such that the beneficiaries' gross gain will not exceed the gross gain they would have realized if the Final Share Price was €8.0.

Where the total number of ordinary shares to be received by a holder of convertible preferred shares by applying the conversion ratio to the number of convertible preferred shares held is not a whole number, that holder will receive the next lower whole number of ordinary shares. The fraction of ordinary shares forming a fractional lot shall be paid in cash.

Conversion Table

Final Share price	Conversion ratio (number of ordinary shares for 1 convertible preferred share)	Final Share price	Conversion ratio (number of ordinary shares for 1 convertible preferred share)	Final Share price	Conversion ratio (number of ordinary shares for 1 convertible preferred share)
4,50	29,45	5,17	39,60	5,84	47,89
4,51	29,61	5,18	39,73	5,85	48,00
4,52	29,78	5,19	39,87	5,86	48,11
4,53	29,94	5,20	40,01	5,87	48,22
4,54	30,11	5,21	40,14	5,88	48,33
4,55	30,27	5,22	40,28	5,89	48,44
4,56	30,43	5,23	40,42	5,90	48,54
4,57	30,59	5,24	40,55	5,91	48,65
4,58	30,76	5,25	40,68	5,92	48,76
4,59	30,92	5,26	40,82	5,93	48,86
4,60	31,08	5,27	40,95	5,94	48,97
4,61	31,24	5,28	41,09	5,95	49,08
4,62	31,40	5,29	41,22	5,96	49,18
4,63	31,56	5,30	41,35	5,97	49,28
4,64	31,72	5,31	41,48	5,98	49,39
4,65	31,88	5,32	41,61	5,99	49,49
4,66	32,04	5,33	41,75	6,00	49,60
4,67	32,20	5,34	41,88	6,01	49,70
4,68	32,36	5,35	42,01	6,02	49,80
4,69	32,51	5,36	42,14	6,03	49,90
4,70	32,67	5,37	42,27	6,04	50,01
4,71	32,83	5,38	42,40	6,05	50,11
4,72	32,98	5,39	42,52	6,06	50,21
4,73	33,14	5,40	42,65	6,07	50,31
4,74	33,30	5,41	42,78	6,08	50,41
4,75	33,45	5,42	42,91	6,09	50,51
4,76	33,61	5,43	43,04	6,10	50,61
4,77	33,76	5,44	43,16	6,11	50,71
4,78	33,91	5,45	43,29	6,12	50,81
4,79	34,07	5,46	43,41	6,13	50,91
4,80	34,22	5,47	43,54	6,14	51,00
4,81	34,37	5,48	43,67	6,15	51,10
4,82	34,53	5,49	43,79	6,16	51,20
4,83	34,68	5,50	43,91	6,17	51,29
4,84	34,83	5,51	44,04	6,18	51,39
4,85	34,98	5,52	44,16	6,19	51,49
4,86	35,13	5,53	44,28	6,20	51,58
4,87	35,28	5,54	44,41	6,21	51,68
4,88	35,43	5,55	44,53	6,22	51,77
4,89	35,58	5,56	44,65	6,23	51,86
4,90	35,73	5,57	44,77	6,24	51,96
4,91	35,88	5,58	44,89	6,25	52,05
4,92	36,03	5,59	45,01	6,26	52,14
4,93	36,17	5,60	45,13	6,27	52,24
4,94	36,32	5,61	45,25	6,28	52,33
4,95	36,47	5,62	45,37	6,29	52,42
4,96	36,62	5,63	45,49	6,30	52,51
4,97	36,76	5,64	45,61	6,31	52,60
4,98	36,91	5,65	45,73	6,32	52,69
4,99	37,05	5,66	45,84	6,33	52,78
5,00	37,20	5,67	45,96	6,34	52,87
5,01	37,34	5,68	46,08	6,35	52,96
5,02	37,49	5,69	46,20	6,36	53,05
5,03	37,63	5,70	46,31	6,37	53,14
5,04	37,77	5,71	46,43	6,38	53,22
5,05	37,92	5,72	46,54	6,39	53,31
5,06	38,06	5,73	46,66	6,40	53,40
5,07	38,20	5,74	46,77	6,41	53,49
5,08	38,34	5,75	46,88	6,42	53,57
5,09	38,48	5,76	47,00	6,43	53,66
5,10	38,62	5,77	47,11	6,44	53,74
5,11	38,76	5,78	47,22	6,45	53,83
5,12	38,90	5,79	47,34	6,46	53,91
5,13	39,04	5,80	47,45	6,47	54,00
5,14	39,18	5,81	47,56	6,48	54,08
5,15	39,32	5,82	47,67	6,49	54,16
5,16	39,46	5,83	47,78	6,50	54,25

Final Share price	Conversion ratio (number of ordinary shares for 1 convertible preferred share)	Final Share price	Conversion ratio (number of ordinary shares for 1 convertible preferred share)	Final Share price	Conversion ratio (number of ordinary shares for 1 convertible preferred share)
6,51	54,33	7,20	59,02	7,89	61,74
6,52	54,41	7,21	59,07	7,90	61,77
6,53	54,49	7,22	59,13	7,91	61,79
6,54	54,57	7,23	59,18	7,92	61,82
6,55	54,65	7,24	59,23	7,93	61,84
6,56	54,73	7,25	59,28	7,94	61,86
6,57	54,81	7,26	59,33	7,95	61,89
6,58	54,89	7,27	59,39	7,96	61,91
6,59	54,97	7,28	59,44	7,97	61,93
6,60	55,05	7,29	59,49	7,98	61,95
6,61	55,13	7,30	59,54	7,99	61,97
6,62	55,21	7,31	59,59	8,00	62,00
6,63	55,29	7,32	59,63	8,01	61,92
6,64	55,36	7,33	59,68	8,02	61,84
6,65	55,44	7,34	59,73	8,03	61,76
6,66	55,52	7,35	59,78	8,04	61,69
6,67	55,59	7,36	59,83	8,05	61,61
6,68	55,67	7,37	59,87	8,06	61,53
6,69	55,74	7,38	59,92	8,07	61,46
6,70	55,82	7,39	59,97	8,08	61,38
6,71	55,89	7,40	60,01	8,09	61,31
6,72	55,96	7,41	60,06	8,10	61,23
6,73	56,04	7,42	60,10	8,11	61,15
6,74	56,11	7,43	60,15	8,12	61,08
6,75	56,18	7,44	60,19	8,13	61,00
6,76	56,26	7,45	60,23	8,14	60,93
6,77	56,33	7,46	60,28	8,15	60,85
6,78	56,40	7,47	60,32	8,16	60,78
6,79	56,47	7,48	60,36	8,17	60,71
6,80	56,54	7,49	60,40	8,18	60,63
6,81	56,61	7,50	60,45	8,19	60,56
6,82	56,68	7,51	60,49	8,20	60,48
6,83	56,75	7,52	60,53	8,21	60,41
6,84	56,82	7,53	60,57	8,22	60,34
6,85	56,89	7,54	60,61	8,23	60,26
6,86	56,95	7,55	60,65	8,24	60,19
6,87	57,02	7,56	60,69	8,25	60,12
6,88	57,09	7,57	60,72	8,26	60,04
6,89	57,16	7,58	60,76	8,27	59,97
6,90	57,22	7,59	60,80	8,28	59,90
6,91	57,29	7,60	60,84	8,29	59,83
6,92	57,35	7,61	60,88	8,30	59,75
6,93	57,42	7,62	60,91	8,31	59,68
6,94	57,48	7,63	60,95	8,32	59,61
6,95	57,55	7,64	60,98	8,33	59,54
6,96	57,61	7,65	61,02	8,34	59,47
6,97	57,67	7,66	61,05	8,35	59,40
6,98	57,74	7,67	61,09	8,36	59,33
6,99	57,80	7,68	61,12	8,37	59,25
7,00	57,86	7,69	61,16	8,38	59,18
7,01	57,92	7,70	61,19	8,39	59,11
7,02	57,99	7,71	61,22	8,40	59,04
7,03	58,05	7,72	61,25	8,41	58,97
7,04	58,11	7,73	61,29	8,42	58,90
7,05	58,17	7,74	61,32	8,43	58,83
7,06	58,23	7,75	61,35	8,44	58,76
7,07	58,29	7,76	61,38	8,45	58,69
7,08	58,35	7,77	61,41	8,46	58,62
7,09	58,40	7,78	61,44	8,47	58,56
7,10	58,46	7,79	61,47	8,48	58,49
7,11	58,52	7,80	61,50	8,49	58,42
7,12	58,58	7,81	61,53	8,50	58,35
7,13	58,63	7,82	61,56	8,51	58,28
7,14	58,69	7,83	61,58	8,52	58,21
7,15	58,75	7,84	61,61	8,53	58,14
7,16	58,80	7,85	61,64	8,54	58,08
7,17	58,86	7,86	61,67	8,55	58,01
7,18	58,91	7,87	61,69	8,56	57,94
7,19	58,97	7,88	61,72	8,57	57,87

Final Share price	Conversion ratio (number of ordinary shares for 1 convertible preferred share)	Final Share price	Conversion ratio (number of ordinary shares for 1 convertible preferred share)	Final Share price	Conversion ratio (number of ordinary shares for 1 convertible preferred share)
8,58	57,80	9,27	53,50	9,96	49,80
8,59	57,74	9,28	53,44	9,97	49,75
8,60	57,67	9,29	53,39	9,98	49,70
8,61	57,60	9,30	53,33	9,99	49,65
8,62	57,54	9,31	53,27	10,00	49,60
8,63	57,47	9,32	53,21	10,01	49,55
8,64	57,40	9,33	53,16	10,02	49,50
8,65	57,34	9,34	53,10	10,03	49,45
8,66	57,27	9,35	53,04	10,04	49,40
8,67	57,20	9,36	52,99	10,05	49,35
8,68	57,14	9,37	52,93	10,06	49,30
8,69	57,07	9,38	52,87	10,07	49,25
8,70	57,01	9,39	52,82	10,08	49,20
8,71	56,94	9,40	52,76	10,09	49,15
8,72	56,88	9,41	52,71	10,10	49,11
8,73	56,81	9,42	52,65	10,11	49,06
8,74	56,75	9,43	52,59	10,12	49,01
8,75	56,68	9,44	52,54	10,13	48,96
8,76	56,62	9,45	52,48	10,14	48,91
8,77	56,55	9,46	52,43	10,15	48,86
8,78	56,49	9,47	52,37	10,16	48,82
8,79	56,42	9,48	52,32	10,17	48,77
8,80	56,36	9,49	52,26	10,18	48,72
8,81	56,30	9,50	52,21	10,19	48,67
8,82	56,23	9,51	52,15	10,20	48,62
8,83	56,17	9,52	52,10	10,21	48,58
8,84	56,10	9,53	52,04	10,22	48,53
8,85	56,04	9,54	51,99	10,23	48,48
8,86	55,98	9,55	51,93	10,24	48,43
8,87	55,91	9,56	51,88	10,25	48,39
8,88	55,85	9,57	51,82	10,26	48,34
8,89	55,79	9,58	51,77	10,27	48,29
8,90	55,73	9,59	51,72	10,28	48,25
8,91	55,66	9,60	51,66	10,29	48,20
8,92	55,60	9,61	51,61	10,30	48,15
8,93	55,54	9,62	51,56	10,31	48,10
8,94	55,48	9,63	51,50	10,32	48,06
8,95	55,41	9,64	51,45	10,33	48,01
8,96	55,35	9,65	51,39	10,34	47,97
8,97	55,29	9,66	51,34	10,35	47,92
8,98	55,23	9,67	51,29	10,36	47,87
8,99	55,17	9,68	51,24	10,37	47,83
9,00	55,11	9,69	51,18	10,38	47,78
9,01	55,05	9,70	51,13	10,39	47,73
9,02	54,98	9,71	51,08	10,40	47,69
9,03	54,92	9,72	51,02	10,41	47,64
9,04	54,86	9,73	50,97	10,42	47,60
9,05	54,80	9,74	50,92	10,43	47,55
9,06	54,74	9,75	50,87	10,44	47,51
9,07	54,68	9,76	50,82	10,45	47,46
9,08	54,62	9,77	50,76	10,46	47,42
9,09	54,56	9,78	50,71	10,47	47,37
9,10	54,50	9,79	50,66	10,48	47,32
9,11	54,44	9,80	50,61	10,49	47,28
9,12	54,38	9,81	50,56	10,50	47,23
9,13	54,32	9,82	50,51	10,51	47,19
9,14	54,26	9,83	50,45	10,52	47,14
9,15	54,20	9,84	50,40	10,53	47,10
9,16	54,14	9,85	50,35	10,54	47,06
9,17	54,09	9,86	50,30	10,55	47,01
9,18	54,03	9,87	50,25	10,56	46,97
9,19	53,97	9,88	50,20	10,57	46,92
9,20	53,91	9,89	50,15	10,58	46,88
9,21	53,85	9,90	50,10	10,59	46,83
9,22	53,79	9,91	50,05	10,60	46,79
9,23	53,73	9,92	50,00	10,61	46,74
9,24	53,68	9,93	49,95	10,62	46,70
9,25	53,62	9,94	49,90	10,63	46,66
9,26	53,56	9,95	49,85	10,64	46,61

Final Share price	Conversion ratio (number of ordinary shares for 1 convertible preferred share)	Final Share price	Conversion ratio (number of ordinary shares for 1 convertible preferred share)	Final Share price	Conversion ratio (number of ordinary shares for 1 convertible preferred share)
10,65	46,57	11,11	44,64	11,57	42,87
10,66	46,53	11,12	44,60	11,58	42,83
10,67	46,48	11,13	44,56	11,59	42,79
10,68	46,44	11,14	44,52	11,60	42,76
10,69	46,39	11,15	44,48	11,61	42,72
10,70	46,35	11,16	44,44	11,62	42,68
10,71	46,31	11,17	44,40	11,63	42,65
10,72	46,27	11,18	44,36	11,64	42,61
10,73	46,22	11,19	44,32	11,65	42,57
10,74	46,18	11,20	44,28	11,66	42,54
10,75	46,14	11,21	44,24	11,67	42,50
10,76	46,09	11,22	44,20	11,68	42,46
10,77	46,05	11,23	44,16	11,69	42,43
10,78	46,01	11,24	44,12	11,70	42,39
10,79	45,96	11,25	44,09	11,71	42,35
10,80	45,92	11,26	44,05	11,72	42,32
10,81	45,88	11,27	44,01	11,73	42,28
10,82	45,84	11,28	43,97	11,74	42,25
10,83	45,80	11,29	43,93	11,75	42,21
10,84	45,75	11,30	43,89	11,76	42,17
10,85	45,71	11,31	43,85	11,77	42,14
10,86	45,67	11,32	43,81	11,78	42,10
10,87	45,63	11,33	43,77	11,79	42,07
10,88	45,58	11,34	43,74	11,80	42,03
10,89	45,54	11,35	43,70	11,81	42,00
10,90	45,50	11,36	43,66	11,82	41,96
10,91	45,46	11,37	43,62	11,83	41,92
10,92	45,42	11,38	43,58	11,84	41,89
10,93	45,38	11,39	43,54	11,85	41,85
10,94	45,33	11,40	43,51	11,86	41,82
10,95	45,29	11,41	43,47	11,87	41,78
10,96	45,25	11,42	43,43	11,88	41,75
10,97	45,21	11,43	43,39	11,89	41,71
10,98	45,17	11,44	43,35	11,90	41,68
10,99	45,13	11,45	43,32	11,91	41,64
11,00	45,09	11,46	43,28	11,92	41,61
11,01	45,05	11,47	43,24	11,93	41,57
11,02	45,01	11,48	43,20	11,94	41,54
11,03	44,96	11,49	43,16	11,95	41,50
11,04	44,92	11,50	43,13	11,96	41,47
11,05	44,88	11,51	43,09	11,97	41,43
11,06	44,84	11,52	43,05	11,98	41,40
11,07	44,80	11,53	43,01	11,99	41,36
11,08	44,76	11,54	42,98	12,00	41,33
11,09	44,72	11,55	42,94		
11,10	44,68	11,56	42,90		

The free convertible preferred shares cannot give rights to more than 2,363,000 ordinary shares of the Company.

If any of the transactions listed in of article 13.3, subparagraph 3, (iii) of the Articles of Association of the Company, including but not limited to any share capital increase by public offering with preferential subscription rights, takes place, the Management Board will adjust the conversion ratio and the conversion table provided above in the manner set forth in the Articles of Association so as to protect the rights of the program beneficiaries.

(d) Indemnities or benefits granted to the corporate officers in case of appointment, termination or change of duties

With respect to some members of the Company's Management Board, provisions exist for certain indemnities on termination of their offices and/or functions (other than for mere expiration of such offices or functions), under the terms of a Management Agreement executed with the Company or one of its subsidiaries, depending on the case.

Management Board members	Employment agreement		Supplemental retirement plan		Indemnities or benefits payable on termination or change of duties		Indemnities relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Mr. Thomas Lingelbach Appointed on May 10, 2013 End of term of office at the Ordinary General Meeting called to rule on the accounts for the fiscal year ending December 31, 2021		x[a]	x[b]		x[d]		x[e]	
Mr. Franck Grimaud Appointed on May 10, 2013 End of term of office at the Ordinary General Meeting called to rule on the accounts for the fiscal year ending December 31, 2021		x		x	x[c&d]		x[e]	
Mr. David Lawrence Appointed on August 1, 2017 (with effect as from August 7, 2017) End of term of office at the Ordinary General Meeting called to rule on the accounts for the fiscal year ending December 31, 2021		x		x	x[d]		x[e]	
Mr. Wolfgang Bender Appointed on August 1, 2017 (with effect as from September 1, 2017) End of term of office at the Ordinary General Meeting called to rule on the accounts for the fiscal year ending December 31, 2021		x[a]		x	x[d]		x[e]	
Mr. Frédéric Jacotot Appointed on March 21, 2017 (with effect as from April 1, 2017) End of term of office at the Ordinary General Meeting called to rule on the accounts for the fiscal year ending December 31, 2021	x[f]			x		x[f]		x[f]

[a] However, in accordance with Austrian law, the Management Agreement of a Managing Director within a GmbH contains many labor law-related provisions and therefore, is close to a standard employment agreement.
[b] Mr. Thomas Lingelbach is a beneficiary of a life-insurance (savings plan type) in view of its retirement, whose fees are borne by the company Valneva Austria GmbH. The saving is released when the beneficiary reached the statutory retirement age in Austria (currently 65 years old), or on the date of his decease, if earlier. Please refer to the descriptions "Death and endowment insurance policy" below, in this Section 6.2.1 (d).
[c] See the description relating to the *Garantie Sociale des Chefs et dirigeants d'entreprise* of Mr. Franck Grimaud, in Section 6.2.1 (b) of this Report by the Supervisory Board on the Corporate Governance.
[d] Please refer to the description related to the indemnities payable by the Company or its subsidiaries, as appropriate, as well as the Sections "Death and endowment insurance policy", in this Section 6.2.1 (d).
[e] Please refer to the paragraphs "Additional provisions specifically relating to the non-compete commitments, in this Section 6.2.1 (d).
[f] Employment agreement with Valneva SE. It must be noted that Mr. Frédéric Jacotot has signed a Management Agreement which specifies the compensation and benefits to be received by Mr. Jacotot in his capacity as a Management Board member and Managing Director as from the end of the Combined General Meeting called on June 27, 2019 to approve the financial statements for the fiscal year ended December 31, 2018. This Management Agreement is subject to the condition precedent that the Management Board member's employment agreement terminates upon or prior to this General Meeting date. In addition, this agreement includes provisions on (i) indemnities or benefits payable on termination or change of duties, and (ii) indemnities relating to a non-compete clause.

Indemnities payable to Mr. Thomas Lingelbach, Chairman of the Management Board

Management Agreement executed with Valneva Austria GmbH and effective as from the end of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2018

Authorized by the Supervisory Board on June 28, 2018

(1) Inability to work due to illness or accident

+ Valneva Austria GmbH shall pay an amount of compensation which would enable the corporate officer to receive the equivalent of 100% of the compensation outlined in Section 6.1 of the Management Agreement (as adjusted) for a period of three months, and 49% for an additional maximum period of three months.
The limit for a two-year term of office is 100% compensation up to a maximum of six months, and 49% for a further maximum of six months.
+ In all cases, payments shall cease upon termination of the Management Agreement.

(2) Termination of the Management Agreement:
(i) at the initiative of Valneva GmbH without good cause (under Section 20 of the Austrian White Collar Workers Act - *Angestelltengesetz*), or
(i) at the initiative of the corporate officer with good cause (in compliance with Section 26 of the Austrian White Collar Workers Act - *Angestelltengesetz*), including resignation justified by circumstances entailing a reduction in law or fact of his responsibilities in Valneva SE

+ Payment until the termination of the Management Agreement (or until the date of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2021, and no later than June 30, 2022), of an amount equal to:
  - the fixed compensation provided for in Section 6.1 of the Management Agreement (as adjusted); and
  - the bonus mentioned in Section 6.3 of the Management Agreement, on a pro rata basis - after possible deduction of the amount saved by the corporate officer as a result of services not rendered or any amount earned for any other type of work performed, or intentional loss of earnings (Section 29 of the Austrian White Collar Workers Act - *Angestelltengesetz*), it being understood that the bonus cannot exceed 60% of the gross annual salary defined in Section 6.1 of the Management Agreement (as adjusted).

Estimate gross amounts to be paid by Valneva Austria GmbH, including charges, in case of event (2) occurring at December 31, 2019

Indemnities: €1,537,692
Costs: €154,837.45
Total: €1,692,529.45

(3) Termination of the Management Agreement:
(i) at the initiative of Valneva GmbH with good cause (under Section 27 of the Austrian White Collar Workers Act - *Angestelltengesetz*), or
(ii) at the initiative of the corporate officer without good cause (including resignation not justified by circumstances entailing a reduction in fact or in right of his responsibilities in Valneva SE)

+ No severance benefits are payable to the corporate officer, without prejudice, however to the possible application of the non-compete provisions mentioned below in (5).
+ Discontinuation of payment of any compensation, bonuses and benefits in kind as from the date of effect of the termination of the corporate office. This date is immediate in the case of a removal for good cause. In contrast, it shall enter into effect after the notice period provided for in Section 20 of the Austrian White Collar Workers Act - *Angestelltengesetz* (notice period ending on the last day of the current month) in the case of termination at the initiative of the corporate officer.

(4) Dismissal of the corporate officer in connection with a Change of Control of Valneva SE (as defined in the Management Agreement)

+ Indemnification for the loss of unvested or unconverted (upon Change of Control) preferred shares granted or purchased under Valneva SE's long-term incentive programs.
+ The gross amount of this indemnity shall be calculated as though such preferred shares had been vested and converted upon the Change of Control. The conditions and limitations set forth in the applicable LTI program rules shall apply to such calculation, *mutatis mutandis.*
+ The indemnity shall be in lieu of any other termination indemnity provided for in Section 12 of the Management Agreement.

Estimate gross amounts to be paid by Valneva Austria GmbH, including charges, in case of event (4) occurring at December 31, 2019 with a share price of €7 upon Change of Control, assuming both Free convertible preferred shares programs 2015 and 2017 are still in force

Global indemnities for both plans: €5,069,291.92
Costs: €372,311.56
Total: €5,441,603.48

(5) Application of the non-compete clause

+ The Management Agreement contains a post-contractual non-compete clause.
This applies (i) automatically, except where expressly waived by Valneva GmbH, in the event of dismissal by Valneva GmbH for good cause (Section 27 of the Austrian White Collar Workers Act - *Angestelltengesetz*), or the early and unjustified resignation at the initiative of the corporate officer (Section 26 of the Austrian White Collar Workers Act - *Angestelltengesetz*) ,or resignation without cause at the initiative of the corporate officer and (ii) upon the express declaration by Valneva SE in the case of termination by Valneva GmbH without good cause.
+ When the non-compete clause applies, this results in the payment of financial consideration equal to the amount of compensation defined by Section 6.1 of the Management Agreement (as adjusted) and the bonus defined by Section 6.3 of the Management Agreement, on a pro rata basis, for the duration of the non-compete obligation (*i.e.* 1 year from the date of the Management Agreement's termination).

This payment shall not be payable in combination with the continued payment of compensation mentioned above in paragraph (2).

Estimate gross amounts to be paid by Valneva Austria GmbH, including charges, in case of event (5) occurring at December 31, 2019

Indemnities in case of application of the non-compete clause for a period of 12 months: €615,076.80
Costs: €61,099.49
Total: €676,176.29

Except in the case of indemnities paid in consideration of the non-compete clause, any indemnity that would be payable by Valneva Austria GmbH in accordance with the foregoing shall be pay only if Mr. Thomas Lingelbach achieves not less than 60% of his individual and collective goals in the aggregate during the preceding calendar year, as these goals are set and assessed by the Supervisory Board.

Indemnities set in Section 12 of the Management Agreement shall exclude any other indemnity, compensation or benefit, to the extent permitted by law.

Any severance payments made to the corporate officer by the compensation fund upon termination of the Management Agreement, as well as prospective entitlements to the corporate officer to severance benefits (in case that the fund does not have to make a payment upon termination) shall be deducted from the indemnities set in Section 12 of the Management Agreement, to the extent permitted by law.

The contractual relationship between Valneva Austria GmbH and Mr. Thomas Lingelbach is regulated by the provisions of its Management Agreement, the Austrian Act on Limited Liability Companies (*GmbH-Gesetz*), the Austrian White Collar Workers Act (*Angestelltengesetz*), the Articles of Associations of Valneva Austria GmbH and the binding resolutions of the General Assembly of Valneva Austria GmbH.

Management Agreement executed with Valneva Austria GmbH and effective since June 25, 2015, as amended

Authorized by the Supervisory Board on June 25, 2015

Amended by decision of the Supervisory Board of March 20, 2018

(1) Inability to work due to illness or accident

+ Valneva Austria GmbH shall pay an amount of compensation which would enable the corporate officer to receive the equivalent of 100% of the compensation outlined in Section 6.1 of the Management Agreement (as adjusted) for a period of three months, and 49% for an additional maximum period of three months.
  The limit for a two-year term of office is 100% compensation up to a maximum of six months, and 49% for a further maximum of six months.
+ In all cases, payments shall cease upon termination of the Management Agreement.

(2) Termination of the Management Agreement:
(i) at the initiative of Valneva GmbH without good cause (under Section 20 of the Austrian White Collar Workers Act - *Angestelltengesetz*), or
(i) at the initiative of the corporate officer with good cause (in compliance with Section 26 of the Austrian White Collar Workers Act - *Angestelltengesetz*), including resignation justified by circumstances entailing a reduction in law or fact of his responsibilities in Valneva SE

+ Payment until the termination of the Management Agreement (or until the date of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2018, and no later than June 30, 2019), of an amount equal to:
  - the fixed compensation provided for in Section 6.1 of the Management Agreement (as adjusted); and
  - the bonus mentioned in Section 6.3 of the Management Agreement, on a pro rata basis - after possible deduction of the amount saved by the corporate officer as a result of services not rendered or any amount earned for any other type of work performed, or intentional loss of earnings (Section 29 of the Austrian White Collar Workers Act - *Angestelltengesetz*), it being understood that the bonus cannot exceed 60% of the gross annual salary defined in Section 6.1 of the Management Agreement (as adjusted).

(3) Termination of the Management Agreement:
(i) at the initiative of Valneva GmbH with good cause (under Section 27 of the Austrian White Collar Workers Act - *Angestelltengesetz*), or
(ii) at the initiative of the corporate officer without good cause (including resignation not justified by circumstances entailing a reduction in fact or in right of his responsibilities in Valneva SE)

+ No severance benefits are payable to the corporate officer, without prejudice, however to the possible application of the non-compete provisions mentioned below in (4).
+ Discontinuation of payment of any compensation, bonuses and benefits in kind as from the date of effect of the termination of the corporate office. This date is immediate in the case of a removal for good cause. In contrast, it shall enter into effect after the notice period provided for in Section 20 of the Austrian White Collar Workers Act - *Angestelltengesetz* (notice period ending on the last day of the current month) in the case of termination at the initiative of the corporate officer.

(4) Application of the non-compete clause

+ The Management Agreement contains a post-contractual non-compete clause.
  This applies (i) automatically, except where expressly waived by Valneva GmbH, in the event of dismissal by Valneva GmbH for good cause (Section 27 of the Austrian White Collar Workers Act - *Angestelltengesetz*), or the early and unjustified resignation at the initiative of the corporate officer (Section 26 of the Austrian White Collar Workers Act - *Angestelltengesetz*) ,or resignation without cause at the initiative of the corporate officer and (ii) upon the express declaration by Valneva SE in the case of termination by Valneva GmbH without good cause.
+ When the non-compete clause applies, this results, in all circumstances other than termination for good cause, in the payment of financial consideration equal to the amount of compensation defined by Section 6.1 of the Management Agreement (as adjusted) and the bonus defined by Section 6.3 of the Management Agreement, on a pro rata basis, for the duration of the non-compete obligation (*i.e.* 1 year from the date of the Management Agreement's termination).

  This payment shall not be payable in combination with the continued payment of compensation mentioned above in paragraph (2).

Except in the case of indemnities paid in consideration of the non-compete clause, any indemnity that would be payable by Valneva Austria GmbH in accordance with the foregoing shall be pay only if Mr. Thomas Lingelbach achieves not less than 60% of his individual and collective goals in the aggregate during the preceding calendar year, as these goals are set and assessed by the Supervisory Board.

Indemnities set in Section 12 of the Management Agreement shall exclude any other indemnity, compensation or benefit, to the extent permitted by law.

Any severance payments made to the corporate officer by the compensation fund upon termination of the Management Agreement, as well as prospective entitlements to the corporate officer to severance benefits (in case that the fund does not have to make a payment upon termination) shall be deducted from the indemnities set in Section 12 of the Management Agreement, to the extent permitted by law.

The contractual relationship between Valneva Austria GmbH and Mr. Thomas Lingelbach is regulated by the provisions of its Management Agreement, the Austrian Act on Limited Liability Companies (*GmbH-Gesetz*), the Austrian White Collar Workers Act (*Angestelltengesetz*), the Articles of Associations of Valneva Austria GmbH and the binding resolutions of the General Assembly of Valneva Austria GmbH.

Indemnities payable to Mr. Franck Grimaud, Management Board member - President & CBO

Management Agreement executed with Valneva SE and effective as from the end of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2018

Authorized by the Supervisory Board on June 28, 2018

(1) Inability to work due to illness or accident

+ Valneva SE shall pay the difference between the health insurance allowance and the corporate officer's fixed remuneration outlined in Section 6.1 of the Management Agreement (as adjusted), so that he receives an aggregate amount equal to 100% of his fixed remuneration for a maximum period of three months, and to 49% of such remuneration for an additional maximum period of three months at most.
The limit for a two-year term of office is 100% compensation up to a maximum of six months, and 49% for a further maximum of six months.
+ In all cases, payments shall cease upon termination of the Management Agreement.

(2) Termination of the management agreement pursuant to:
(i) removal of the corporate officer by Valneva SE without good cause *(juste motif)*; or
(ii) resignation of the corporate officer justified by circumstances entailing a reduction in law or in fact of his responsibilities in Valneva SE

+ Payment until the termination of the Management Agreement (or until the date of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2021, and no later than June 30, 2022), of an amount equal to:
  - the fixed compensation provided for in Section 6.1 of the Management Agreement (as adjusted); and
  - the bonus mentioned in Section 6.3 of the Management Agreement, on a pro rata basis, it being understood that the bonus cannot exceed 50% of the gross annual salary defined in Section 6.1 of the Management Agreement (as adjusted).

Estimate gross amounts to be paid by Valneva SE, including charges, in case of event (2) occurring at December 31, 2019

Indemnities: €980,865
Costs: €409,314.96
Total: €1,390,179.96

(3) Termination of the management agreement pursuant to:
(i) removal of the corporate officer by Valneva SE with good cause *(juste motif)*; or
(ii) resignation of the corporate officer unjustified by circumstances entailing in law or in fact a reduction in his responsibilities in Valneva SE

+ No severance benefits are payable to the corporate officer, without prejudice, however to the possible application of the non-compete provisions mentioned below in (5).
+ Discontinuation of payment of any compensation, bonuses and benefits in kind as from the date of effect of the termination of the corporate office. This date is immediate in the case of a removal for good cause. It takes effect after a two-month notice period (end of month) in the event of resignation.

(4) Dismissal of the corporate officer in connection with a Change of Control of Valneva SE (as defined in the Management Agreement)

+ Indemnification for the loss of unvested or unconverted (upon Change of Control) preferred shares granted or purchased under Valneva SE's long-term incentive programs.
+ The gross amount of this indemnity shall be calculated as though such preferred shares had been vested and converted upon the Change of Control.
The conditions and limitations set forth in the applicable LTI program rules shall apply to such calculation, *mutatis mutandis.*
+ The indemnity shall be in lieu of any other termination indemnity provided for in Section 12 of the Management Agreement.

Estimate gross amounts to be paid by Valneva SE, including charges, in case of event (4) occurring at December 31, 2019 with a share price of €7 upon Change of Control, assuming both Free convertible preferred shares programs 2015 and 2017 are still in force

Global indemnities for both plans: €3,867,548.02
Costs: €1,613,927.79
Total: € €5,481,475.81

(5) Application of the non-compete clause

+ The Management Agreement contains a post-contractual non-compete clause.
This clause applies (i) automatically, except where expressly waived by Valneva SE, in the event of dismissal by Valneva SE for good cause *(juste motif)* or resignation of the corporate office not justified by circumstances entailing a reduction in responsibilities in right or in law in Valneva SE, and (ii) upon the express declaration by Valneva SE, in other cases of termination (removal by Valneva SE without good cause, resignation of the corporate officer justified by the circumstances defined above).
+ When the non-compete clause applies, this results in the payment of financial consideration equal to the amount of compensation defined by Section 6.1 of the Management Agreement (as adjusted) and the bonus defined by Section 6.3 of the Management Agreement, on a pro rata basis, for the duration of the non-compete obligation (*i.e.* 1 year from the date of the Management Agreement's termination).

This payment shall not be payable in combination with the continued payment of compensation mentioned above in paragraph (2).

Estimate gross amounts to be paid by Valneva SE, including charges, in case of event (5) occurring at December 31, 2019

Indemnities in case of application of the non-compete clause for a period of 12 months: €392.346
Costs: €163,725.99
Total: €556,071.99

Except in the case of indemnities paid in consideration of the non-compete clause, any indemnity that would be payable by Valneva SE in accordance with the foregoing shall be pay only if Mr. Franck Grimaud achieves not less than 60% of his individual and collective goals in the aggregate during the preceding calendar year, as these goals are set and assessed by the Supervisory Board.

Indemnities set in Section 12 of the Management Agreement shall exclude any other indemnity, compensation or benefit, to the extent permitted by law.

Relations between Valneva SE and Mr. Franck Grimaud, in his capacity as a member of the Company's Management Board and Managing Director, are governed by French law and regulations, the Company's articles of association, the provisions of the Management Agreement and the decisions of Valneva SE's Supervisory Board.

Management Agreement executed with Valneva SE,
entered into force at the end of the Company's Annual General Meeting held on June 30, 2016
Authorized by the Supervisory Board on June 25, 2015
Amended by decision of the Supervisory Board of March 20, 2018

(1) Inability to work due to illness or accident

+ Valneva SE shall pay an amount of compensation which, when added to health insurance benefits, would enable Mr. Grimaud to receive the equivalent of 100% of the compensation outlined in Section 6.1 of the Management Agreement (as adjusted) for a period of three months, and 49% for an additional maximum period of three months.
The limit for a two-year term of office is 100% compensation up to a maximum of six months, and 49% for a further maximum of six months.
+ In all cases, payments shall cease upon termination of the Management Agreement.

(2) Termination of the management agreement pursuant to:
(i) removal of the corporate officer by Valneva SE without good cause *(juste motif)*; or
(ii) resignation of the corporate officer justified by circumstances entailing a reduction in law or in fact of his responsibilities in Valneva SE

+ Payment until the termination of the Management Agreement (or until the date of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2018, and no later than June 30, 2019), of an amount equal to:
  - the fixed compensation provided for in Section 6.1 of the Management Agreement (as adjusted); and
  - the bonus mentioned in Section 6.3 of the Management Agreement, on a pro rata basis, it being understood that the bonus cannot exceed 50% of the gross annual salary defined in Section 6.1 of the Management Agreement (as adjusted).
+ From the amount of compensation payable in accordance with the above, shall be deducted unemployment insurance benefits received under the private policy covering company managers and officers (GSC - *Garantie Sociale des Chefs et dirigeants d'entreprise*) during the benefit payment period.

(3) Termination of the management agreement pursuant to:
(i) removal of the corporate officer by Valneva SE with good cause *(juste motif)*; or
(ii) resignation of the corporate officer unjustified by circumstances entailing in law or in fact a reduction in his responsibilities in Valneva SE

+ No severance benefits are payable to the corporate officer, without prejudice, however to the possible application of the non-compete provisions mentioned below in (4).
+ Discontinuation of payment of any compensation, bonuses and benefits in kind as from the date of effect of the termination of the corporate office. This date is immediate in the case of a removal for good cause. It takes effect after a two-month notice period (end of month) in the event of resignation.

(4) Application of the non-compete clause

+ The Management Agreement contains a post-contractual non-compete clause.
This clause applies (i) automatically, except where expressly waived by Valneva SE, in the event of dismissal by Valneva SE for good cause *(juste motif)* or resignation of the corporate office not justified by circumstances entailing a reduction in responsibilities in right or in law in Valneva SE, and (ii) upon the express declaration by Valneva SE, in other cases of termination (removal by Valneva SE without good cause, resignation of the corporate officer justified by the circumstances defined above).
+ When the non-compete clause applies, this results in the payment of financial consideration equal to the amount of compensation defined by Section 6.1 of the Management Agreement (as adjusted) and the bonus defined by Section 6.3 of the Management Agreement, on a pro rata basis, for the duration of the non-compete obligation (*i.e.* 1 year from the date of the Management Agreement's termination).

This payment shall not be payable in combination with the continued payment of compensation mentioned above in paragraph (2).

Except in the case of indemnities paid in consideration of the non-compete clause, any indemnity that would be payable by Valneva SE in accordance with the foregoing shall be pay only if Mr. Franck Grimaud achieves not less than 60% of his individual and collective goals in the aggregate during the preceding calendar year, as these goals are set and assessed by the Supervisory Board.

Indemnities set in Section 12 of the Management Agreement shall exclude any other indemnity, compensation or benefit, to the extent permitted by law.

Relations between Valneva SE and Mr. Franck Grimaud, in his capacity as a member of the Company's Management Board and Managing Director, are governed by French law and regulations, the Company's articles of association, the provisions of the Management Agreement and the decisions of Valneva SE's Supervisory Board.

Indemnities payable to Mr. Wolfgang Bender, Management Board member - CMO

Management Agreement executed with Valneva SE and effective as from the end of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2018

Authorized by the Supervisory Board on June 28, 2018

(1) Inability to work due to illness or accident

+ Valneva SE shall pay the difference between the health insurance allowance and the corporate officer's fixed remuneration, so that he receives an aggregate amount equal to 100% of the compensation outlined in Section 6.1 of the Management Agreement for a period of three months, and to 49% for an additional maximum period of three months.
  The limit for a period of 24 consecutive months is 100% compensation up to a maximum of six months, and 49% for a further maximum of six months.
+ In all cases, payments shall cease upon termination of the Management Agreement.

(2) Termination of the management agreement pursuant to:
(i) removal of the corporate officer by Valneva SE without good cause *(juste motif)*; or
(ii) resignation of the corporate officer justified by circumstances entailing a reduction in law or in fact of his responsibilities in Valneva Austria GmbH

+ Payment until the termination of the Management Agreement (or until the date of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2021, and no later than June 30, 2022), of an amount equal to:
  - the fixed compensation provided for in Section 6.1 of the Management Agreement (as adjusted); and
  - the bonus mentioned in Section 6.3 of the Management Agreement, on a pro rata basis, it being understood that the bonus cannot exceed 50% of the gross annual salary defined in Section 6.1 of the Management Agreement (as adjusted).

Estimate gross amounts to be paid by Valneva SE, including charges, in case of event (2) occurring at December 31, 2019

Indemnities: €433,931.40
Costs: €30,809.13
Total: €464,740.53

(3) Termination of the management agreement pursuant to:
(i) removal of the corporate officer by Valneva SE with good cause *(juste motif)*; or
(ii) resignation of the corporate officer unjustified by circumstances entailing in law or in fact a reduction in his responsibilities in Valneva Austria GmbH

+ No severance benefits are payable to the corporate officer, without prejudice, however to the possible application of the non-compete provisions mentioned below in (5).
+ Discontinuation of payment of any compensation, bonuses and benefits in kind as from the date of effect of the termination of the corporate office. This date is immediate in the case of a removal for good cause. It takes effect after a two-month notice period (end of month) in the event of resignation.

(4) Dismissal of the corporate officer in connection with a Change of Control of Valneva SE (as defined in the Management Agreement)

+ Indemnification for the loss of unvested or unconverted (upon Change of Control) preferred shares granted or purchased under Valneva SE's long-term incentive programs.
+ The gross amount of this indemnity shall be calculated as though such preferred shares had been vested and converted upon the Change of Control. The conditions and limitations set forth in the applicable LTI program rules shall apply to such calculation, *mutatis mutandis.*
+ The indemnity shall be in lieu of any other termination indemnity provided for in Section 12 of the Management Agreement.

Estimate gross amounts to be paid by Valneva SE, including charges, in case of event (4) occurring at December 31, 2019 with a share price of €7 upon Change of Control, assuming the Free convertible preferred shares program 2017 is still in force

Indemnities: €1,883,748.02
Costs: €133,746.11
Total: €2,017,494.13

(5) Application of the non-compete clause

+ The Management Agreement contains a post-contractual non-compete clause.
  This clause applies (i) automatically, except where expressly waived by Valneva SE, in the event of dismissal by Valneva SE for good cause *(juste motif)* or resignation of the corporate office not justified by circumstances entailing a reduction in responsibilities in right or in law in Valneva SE or Valneva Austria GmbH, and (ii) upon the express declaration by Valneva SE, in other cases of termination (removal by Valneva SE without good cause, resignation of the corporate officer justified by the circumstances defined above).
+ When the non-compete clause applies, this results in the payment of financial consideration equal to the amount of compensation defined by Section 6.1 of the Management Agreement (as adjusted) and the bonus defined by Section 6.3 of the Management Agreement, on a pro rata basis, for the duration of the non-compete obligation (*i.e.* 1 year from the date of the Management Agreement's termination).

  This payment shall not be payable in combination with the continued payment of compensation mentioned above in paragraph (2).

Estimate gross amounts to be paid by Valneva SE, including charges, in case of event (4) occurring at December 31, 2019

Amount of indemnities in case of application of the non-compete clause for a period of 12 months: €173.572,56
Costs: €12,323.65
Total: €185,896.21

Except in the case of indemnities paid in consideration of the non-compete clause, any indemnity that would be payable by Valneva SE in accordance with the foregoing shall be pay only if Mr. Wolfgang Bender achieves not less than 60% of his individual and collective goals in the aggregate during the preceding calendar year, as these goals are set and assessed by the Supervisory Board.

Indemnities set in Section 12 of the Management Agreement shall exclude any other indemnity, compensation or benefit, to the extent permitted by law.

Relations between Valneva SE and Mr. Wolfgang Bender, in his capacity as a member of the Company's Management Board and CMO, are governed by French law and regulations, the Company's articles of association, the provisions of the Management Agreement and the decisions of Valneva SE's Supervisory Board.

Management Agreement executed with Valneva Austria GmbH and effective as from the end of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2018

Authorized by the Supervisory Board on June 28, 2018

(1) Inability to work due to illness or accident

+ Valneva Austria GmbH shall pay the difference between the health insurance allowance and the corporate officer's fixed remuneration, so that he receives an aggregate amount equal to 100% of the compensation outlined in Section 6.1 of the Management Agreement for a period of three months, and to 49% for an additional maximum period of three months.
The limit for a period of 24 consecutive months is 100% compensation up to a maximum of six months, and 49% for a further maximum of six months.
+ In all cases, payments shall cease upon termination of the Management Agreement.

(2) Termination of the Management Agreement:
(i) at the initiative of Valneva GmbH without good cause, or
(i) at the initiative of the corporate officer with good cause (in compliance with Section 26 of the Austrian White Collar Workers Act - *Angestelltengesetz*), including resignation justified by circumstances entailing a reduction in law or fact of his responsibilities in Valneva SE

+ Payment until the termination of the Management Agreement (or until the date of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2021, and no later than June 30, 2022), of an amount equal to:
  - the fixed compensation provided for in Section 6.1 of the Management Agreement (as adjusted); and
  - the bonus mentioned in Section 6.3 of the Management Agreement, on a pro rata basis - after possible deduction of the amount saved by the corporate officer as a result of services not rendered or any amount earned for any other type of work performed, or intentional loss of earnings (Section 29 of the Austrian White Collar Workers Act - *Angestelltengesetz*), it being understood that the bonus cannot exceed 50% of the gross annual salary defined in Section 6.1 of the Management Agreement (as adjusted).

Estimate gross amounts to be paid by Valneva Austria GmbH, including charges, in case of event (2) occurring at December 31, 2019

Indemnities: €659,820
Costs: €51,272.65
Total: €711,092.65

(3) Termination of the Management Agreement:
(i) at the initiative of Valneva GmbH with good cause (under Section 27 of the Austrian White Collar Workers Act - *Angestelltengesetz*), or
(ii) at the initiative of the corporate officer without good cause (including resignation not justified by circumstances entailing a reduction in fact or in right of his responsibilities in Valneva SE)

+ No severance benefits are payable to the corporate officer, without prejudice, however to the possible application of the non-compete provisions mentioned below in (4).
+ Discontinuation of payment of any compensation, bonuses and benefits in kind as from the date of effect of the termination of the corporate office. This date is immediate in the case of a removal for good cause. It takes effect after a two-month notice period (end of month) in the event of resignation.

(4) Application of the non-compete clause

+ The Management Agreement contains a post-contractual non-compete clause.
This applies (i) automatically, except where expressly waived by Valneva GmbH, in the event of dismissal by Valneva GmbH for good cause (Section 27 of the Austrian White Collar Workers Act - *Angestelltengesetz*), or the early and unjustified resignation at the initiative of the corporate officer (Section 26 of the Austrian White Collar Workers Act - *Angestelltengesetz*), or resignation without cause at the initiative of the corporate officer and (ii) upon the express declaration by Valneva Austria GmbH in the case of termination by Valneva GmbH without good cause.
+ When the non-compete clause applies, this results in the payment of financial consideration equal to the amount of compensation defined by Section 6.1 of the Management Agreement and the bonus defined by Section 6.3 of the Management Agreement, on a pro rata basis, for the duration of the non-compete obligation (*i.e.* 1 year from the date of the Management Agreement's termination).

This payment shall not be payable in combination with the continued payment of compensation mentioned above in paragraph (2).

Estimate gross amounts to be paid by Valneva Austria GmbH, including charges, in case of event (4) occurring at December 31, 2019

Amount of indemnities in case of application of the non-compete clause for a period of 12 months: €263,928
Costs: €20,509.06
Total: €284,437.06

Except in the case of indemnities paid in consideration of the non-compete clause, any indemnity that would be payable by Valneva Austria GmbH in accordance with the foregoing shall be pay only if Mr. Wolfgang Bender achieves not less than 60% of his individual and collective goals in the aggregate during the preceding calendar year, as these goals are set and assessed by the Supervisory Board.

Indemnities set in Section 12 of the Management Agreement shall exclude any other indemnity, compensation or benefit, to the extent permitted by law.

Any severance payments made to the corporate officer by the compensation fund upon termination of the Management Agreement, as well as prospective entitlements to the corporate officer to severance benefits (in case that the fund does not have to make a payment upon termination) shall be deducted from the indemnities set in Section 12 of the Management Agreement, to the extent permitted by law.

The contractual relationship between Valneva Austria GmbH and Mr. Wolfgang Bender is regulated by the provisions of its Management Agreement, the Austrian Act on Limited Liability Companies (*GmbH-Gesetz*), the Austrian White Collar Workers Act (*Angestelltengesetz*), the Articles of Associations of Valneva Austria GmbH and the binding resolutions of the General Assembly of Valneva Austria GmbH.

Management Agreement executed with Valneva SE, entered into force on September 1, 2017
Authorized by the Supervisory Board on August 1, 2017
Amended by decision of the Supervisory Board of March 20, 2018

(1) Inability to work due to illness or accident

+ Valneva SE shall pay the difference between the health insurance allowance and the corporate officer's fixed remuneration, so that he receives an aggregate amount equal to 100% of the compensation outlined in Section 6.1 of the Management Agreement for a period of three months, and to 49% for an additional maximum period of three months.
The limit for a period of 24 consecutive months is 100% compensation up to a maximum of six months, and 49% for a further maximum of six months.
+ In all cases, payments shall cease upon termination of the Management Agreement.

(2) Termination of the management agreement pursuant to:
(i) removal of the corporate officer by Valneva SE without good cause *(juste motif)*; or
(ii) resignation of the corporate officer justified by circumstances entailing a reduction in law or in fact of his responsibilities in Valneva Austria GmbH

+ Payment until the termination of the Management Agreement (or until the date of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2018, and no later than June 30, 2019), of an amount equal to:
  - the fixed compensation provided for in Section 6.1 of the Management Agreement (as adjusted); and
  - the bonus mentioned in Section 6.3 of the Management Agreement, on a pro rata basis, it being understood that the bonus cannot exceed 50% of the gross annual salary defined in Section 6.1 of the Management Agreement (as adjusted).

(3) Termination of the management agreement pursuant to:
(i) removal of the corporate officer by Valneva SE with good cause *(juste motif)*; or
(ii) resignation of the corporate officer unjustified by circumstances entailing in law or in fact a reduction in his responsibilities in Valneva Austria GmbH

+ No severance benefits are payable to the corporate officer, without prejudice, however to the possible application of the non-compete provisions mentioned below in (4).
+ Discontinuation of payment of any compensation, bonuses and benefits in kind as from the date of effect of the termination of the corporate office. This date is immediate in the case of a removal for good cause. It takes effect after a two-month notice period (end of month) in the event of resignation.

(4) Application of the non-compete clause

+ The Management Agreement contains a post-contractual non-compete clause.
This clause applies (i) automatically, except where expressly waived by Valneva SE, in the event of dismissal by Valneva SE for good cause *(juste motif)* or resignation of the corporate office not justified by circumstances entailing a reduction in responsibilities in right or in law in Valneva SE or Valneva Austria GmbH, and (ii) upon the express declaration by Valneva SE, in other cases of termination (removal by Valneva SE without good cause, resignation of the corporate officer justified by the circumstances defined above).
+ When the non-compete clause applies, this results, in all circumstances other than removal for good cause *(juste motif)*, in the payment of financial consideration equal to the amount of compensation defined by Section 6.1 of the Management Agreement (as adjusted) and the bonus defined by Section 6.3 of the Management Agreement, on a pro rata basis, for the duration of the non-compete obligation (*i.e.* 1 year from the date of the Management Agreement's termination).

This payment shall not be payable in combination with the continued payment of compensation mentioned above in paragraph (2).

Except in the case of indemnities paid in consideration of the non-compete clause, any indemnity that would be payable by Valneva SE in accordance with the foregoing shall be pay only if Mr. Wolfgang Bender achieves not less than 60% of his individual and collective goals in the aggregate during the preceding calendar year, as these goals are set and assessed by the Supervisory Board.

Indemnities set in Section 12 of the Management Agreement shall exclude any other indemnity, compensation or benefit, to the extent permitted by law.

Relations between Valneva SE and Mr. Wolfgang Bender, in his capacity as a member of the Company's Management Board and CMO, are governed by French law and regulations, the Company's articles of association, the provisions of the Management Agreement and the decisions of Valneva SE's Supervisory Board.

Management Agreement executed with Valneva Austria GmbH, entered into force on September 1, 2017

Agreement authorized by the Supervisory Board on August 1, 2017, then completed through an Addendum effective as from December 20, 2017, authorized by the Supervisory Board on December 19, 2017

Amended by decision of the Supervisory Board of March 20, 2018

(1) Inability to work due to illness or accident

+ Valneva Austria GmbH shall pay the difference between the health insurance allowance and the corporate officer's fixed remuneration, so that he receives an aggregate amount equal to 100% of the compensation outlined in Section 6.1 of the Management Agreement for a period of three months, and to 49% for an additional maximum period of three months.
The limit for a period of 24 consecutive months is 100% compensation up to a maximum of six months, and 49% for a further maximum of six months.
+ In all cases, payments shall cease upon termination of the Management Agreement.

(2) Termination of the Management Agreement:
(i) at the initiative of Valneva GmbH without good cause, or
(i) at the initiative of the corporate officer with good cause (in compliance with Section 26 of the Austrian White Collar Workers Act - *Angestelltengesetz*), including resignation justified by circumstances entailing a reduction in law or fact of his responsibilities in Valneva SE

+ Payment until the termination of the Management Agreement (or until the date of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2018, and no later than June 30, 2019), of an amount equal to:
  - the fixed compensation provided for in Section 6.1 of the Management Agreement (as adjusted); and
  - the bonus mentioned in Section 6.3 of the Management Agreement, on a pro rata basis - after possible deduction of the amount saved by the corporate officer as a result of services not rendered or any amount earned for any other type of work performed, or intentional loss of earnings (Section 29 of the Austrian White Collar Workers Act - *Angestelltengesetz*), it being understood that the bonus cannot exceed 50% of the gross annual salary defined in Section 6.1 of the Management Agreement (as adjusted).

(3) Termination of the Management Agreement:
(i) at the initiative of Valneva GmbH with good cause (under Section 27 of the Austrian White Collar Workers Act - *Angestelltengesetz*), or
(ii) at the initiative of the corporate officer without good cause (including resignation not justified by circumstances entailing a reduction in fact or in right of his responsibilities in Valneva SE)

+ No severance benefits are payable to the corporate officer, without prejudice, however to the possible application of the non-compete provisions mentioned below in (4).
+ Discontinuation of payment of any compensation, bonuses and benefits in kind as from the date of effect of the termination of the corporate office. This date is immediate in the case of a removal for good cause. It takes effect after a two-month notice period (end of month) in the event of resignation.

(4) Application of the non-compete clause

+ The Management Agreement contains a post-contractual non-compete clause.
This applies (i) automatically, except where expressly waived by Valneva GmbH, in the event of dismissal by Valneva GmbH for good cause (Section 27 of the Austrian White Collar Workers Act - *Angestelltengesetz*), or the early and unjustified resignation at the initiative of the corporate officer (Section 26 of the Austrian White Collar Workers Act - *Angestelltengesetz*), or resignation without cause at the initiative of the corporate officer and (ii) upon the express declaration by Valneva Austria GmbH in the case of termination by Valneva GmbH without good cause.
+ When the non-compete clause applies, this results, in all circumstances other than termination for good cause, in the payment of financial consideration equal to the amount of compensation defined by Section 6.1 of the Management Agreement and the bonus defined by Section 6.3 of the Management Agreement, on a pro rata basis, for the duration of the non-compete obligation (*i.e.* 1 year from the date of the Management Agreement's termination).

This payment shall not be payable in combination with the continued payment of compensation mentioned above in paragraph (2).

Except in the case of indemnities paid in consideration of the non-compete clause, any indemnity that would be payable by Valneva Austria GmbH in accordance with the foregoing shall be pay only if Mr. Wolfgang Bender achieves not less than 60% of his individual and collective goals in the aggregate during the preceding calendar year, as these goals are set and assessed by the Supervisory Board.

Indemnities set in Section 12 of the Management Agreement shall exclude any other indemnity, compensation or benefit, to the extent permitted by law.

Any severance payments made to the corporate officer by the compensation fund upon termination of the Management Agreement, as well as prospective entitlements to the corporate officer to severance benefits (in case that the fund does not have to make a payment upon termination) shall be deducted from the indemnities set in Section 12 of the Management Agreement, to the extent permitted by law.

The contractual relationship between Valneva Austria GmbH and Mr. Bender is regulated by the provisions of its Management Agreement, the Austrian Act on Limited Liability Companies (*GmbH-Gesetz*), the Austrian White Collar Workers Act (*Angestelltengesetz*), the Articles of Associations of Valneva Austria GmbH and the binding resolutions of the General Assembly of Valneva Austria GmbH.

Indemnities payable to Mr. Frédéric Jacotot, Management Board member - General Counsel

Management Agreement executed with Valneva SE and effective as from the end of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2018[53]

Authorized by the Supervisory Board on June 28, 2018

(1) Inability to work due to illness or accident

+ Valneva SE shall pay the difference between the health insurance allowance and the corporate officer's fixed remuneration outlined in Section 6.1 of the Management Agreement (as adjusted), so that he receives an aggregate amount equal to 100% of his fixed remuneration for a maximum period of three months, and to 49% of such remuneration for an additional maximum period of three months at most.
  The limit for a two-year term of office is 100% compensation up to a maximum of six months, and 49% for a further maximum of six months.
+ In all cases, payments shall cease upon termination of the Management Agreement.

(2) Termination of the management agreement pursuant to removal of the corporate officer by Valneva SE without good cause *(juste motif)*

+ Payment until the termination of the Management Agreement (or until the date of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2021, and no later than June 30, 2022), of an amount equal to:
  - the fixed compensation provided for in Section 6.1 of the Management Agreement (as adjusted); and
  - the bonus mentioned in Section 6.3 of the Management Agreement, on a pro rata basis, it being understood that the bonus cannot exceed 50% of the gross annual salary defined in Section 6.1 of the Management Agreement (as adjusted).

Estimate gross amounts to be paid by Valneva SE, including charges, in case of event (2) occurring at December 31, 2019

Indemnities: €763,672.50
Costs: €360,147.95
Total: €1,123,820.45

(3) Termination of the management agreement pursuant to:
(i) removal of the corporate officer by Valneva SE with good cause *(juste motif)*; or
(ii) resignation of the corporate officer unjustified

+ No severance benefits are payable to the corporate officer, without prejudice, however to the possible application of the non-compete provisions mentioned below in (5).
+ Discontinuation of payment of any compensation, bonuses and benefits in kind as from the date of effect of the termination of the corporate office. This date is immediate in the case of a removal for good cause. It takes effect after a two-month notice period (end of month) in the event of resignation.

(4) Dismissal of the corporate officer in connection with a Change of Control of Valneva SE (as defined in the Management Agreement)

+ Indemnification for the loss of unvested or unconverted (upon Change of Control) preferred shares granted or purchased under Valneva SE's long-term incentive programs.
+ The gross amount of this indemnity shall be calculated as though such preferred shares had been vested and converted upon the Change of Control. The conditions and limitations set forth in the applicable LTI program rules shall apply to such calculation, *mutatis mutandis.*
+ The indemnity shall be in lieu of any other termination indemnity provided for in Section 12 of the Management Agreement.

Estimate gross amounts to be paid by Valneva SE, including charges, in case of event (4) occurring at December 31, 2019 with a share price of €7 upon Change of Control, assuming both Free convertible preferred shares programs 2015 and 2017 are still in force

Global indemnities for both plans: €2,493,448.02
Costs: €1,175,910.09
Total: €3,669,358.11

(5) Application of the non-compete clause

+ The Management Agreement contains a post-contractual non-compete clause.
  This clause applies (i) automatically, except where expressly waived by Valneva SE, in the event of dismissal by Valneva SE for good cause *(juste motif)* or resignation of the corporate office not justified, and (ii) upon the express declaration by Valneva SE, in other cases of termination (removal by Valneva SE without good cause).
+ When the non-compete clause applies, this results in the payment of financial consideration equal to the amount of compensation defined by Section 6.1 of the Management Agreement (as adjusted) and the bonus defined by Section 6.3 of the Management Agreement, on a pro rata basis, for the duration of the non-compete obligation (*i.e.* 1 year from the date of the Management Agreement's termination).

  This payment shall not be payable in combination with the continued payment of compensation mentioned above in paragraph (2).

Estimate gross amounts to be paid by Valneva SE, including charges, in case of event (5) occurring at December 31, 2019

Indemnities in case of application of the non-compete clause for a period of 12 months: €305,469
Costs: €144,059.18
Total: €449,528.18

Except in the case of indemnities paid in consideration of the non-compete clause, any indemnity that would be payable by Valneva SE in accordance with the foregoing shall be pay only if Mr. Frédéric Jacotot achieves not less than 60% of his individual and collective goals in the aggregate during the preceding calendar year, as these goals are set and assessed by the Supervisory Board.

Indemnities set in Section 12 of the Management Agreement shall exclude any other indemnity, compensation or benefit, to the extent permitted by law.

Relations between Valneva SE and Mr. Franck Grimaud, in his capacity as a member of the Company's Management Board and Managing Director, are governed by French law and regulations, the Company's articles of association, the provisions of the Management Agreement and the decisions of Valneva SE's Supervisory Board.

[53] Subject to the condition precedent that the Management Board member's employment agreement terminates upon or prior to the General Meeting date.

Indemnities payable to Mr. David Lawrence, Management Board member - CFO

Temporary Management Agreement executed with Valneva UK Ltd.,
Effective as from January 1, 2019 until the end of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2018
Authorized by the Supervisory Board on December 6, 2018

(1) Inability to work due to illness or accident

+ Valneva UK Ltd. shall pay the difference between the health insurance allowance and the corporate officer's fixed remuneration, so that he receives an aggregate amount equal to 100% of the compensation outlined in Section 6.1 of the Management Agreement for a period of three months, and to 49% for an additional maximum period of three months.
  The limit for a period of 24 consecutive months is 100% compensation up to a maximum of six months, and 49% for a further maximum of six months.
+ In all cases, payments shall cease upon termination of the Management Agreement.

(2) Termination of the Management Agreement:
(i) at the initiative of Valneva UK Ltd. without good cause, or
(i) at the initiative of the corporate officer justified by circumstances entailing a reduction in law or fact of his responsibilities in Valneva SE

+ Payment until the termination of the Management Agreement (or until the date of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2021, and no later than June 30, 2022), of an amount equal to:
  - the fixed compensation provided for in Section 6.1 of the Management Agreement (as adjusted); and
  - the bonus mentioned in Section 6.3 of the Management Agreement, on a pro rata basis, it being understood that the bonus cannot exceed 50% of the gross annual salary defined in Section 6.1 of the Management Agreement (as adjusted).

(3) Termination of the Management Agreement:
(i) at the initiative of Valneva UK Ltd. with good cause, or
(ii) at the initiative of the corporate officer not justified by circumstances entailing a reduction in fact or in right of his responsibilities in Valneva SE

+ No severance benefits are payable to the corporate officer, without prejudice, however to the possible application of the non-compete provisions mentioned below in (4).
+ Discontinuation of payment of any compensation, bonuses and benefits in kind as from the date of effect of the termination of the corporate office. This date is immediate in the case of a removal for good cause. It takes effect after a two-month notice period (end of month) in the event of resignation.

(4) Application of the non-compete clause

+ The Management Agreement contains a post-contractual non-compete clause.
  This applies (i) automatically, except where expressly waived by Valneva UK Ltd., in the event of dismissal by Valneva UK Ltd. for good cause, or resignation at the initiative of the corporate officer not justified by circumstances entailing a reduction in law or fact of his responsibilities in Valneva SE, and (ii) upon the express declaration by Valneva UK Ltd. in the other cases of termination (removal by Valneva UK Ltd. without good cause, resignation of the corporate officer justified by the circumstances defined above).
+ When the non-compete clause applies, this results in the payment of financial consideration equal to the amount of compensation defined by Section 6.1 of the Management Agreement and the bonus defined by Section 6.3 of the Management Agreement, on a pro rata basis, for the duration of the non-compete obligation (*i.e.* 1 year from the date of the Management Agreement's termination).

  This payment shall not be payable in combination with the continued payment of compensation mentioned above in paragraph (2).

Except in the case of indemnities paid in consideration of the non-compete clause, any indemnity that would be payable by Valneva UK Ltd. in accordance with the foregoing shall be pay only if Mr. David Lawrence achieves not less than 60% of his individual and collective goals in the aggregate during the preceding calendar year, as these goals are set and assessed by the Supervisory Board.

Indemnities set in Section 12 of the Management Agreement shall exclude any other indemnity, compensation or benefit, to the extent permitted by law.

The contractual relationship between Valneva UK Ltd. and Mr. David Lawrence in his capacity as Management Board member and CFO is regulated by the English law, the Articles of Association of Valneva UK Ltd., the provisions of his Management Agreement and the decisions of the Board of Directors of Valneva UK Ltd.

Management Agreement executed with Valneva UK Ltd.,
Effective as from the end of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2018
Authorized by the Supervisory Board on December 6, 2018

(1) Inability to work due to illness or accident

+ Valneva UK Ltd. shall pay the difference between the health insurance allowance and the corporate officer's fixed remuneration, so that he receives an aggregate amount equal to 100% of the compensation outlined in Section 6.1 of the Management Agreement for a period of three months, and to 49% for an additional maximum period of three months.
The limit for a period of 24 consecutive months is 100% compensation up to a maximum of six months, and 49% for a further maximum of six months.
+ In all cases, payments shall cease upon termination of the Management Agreement.

(2) Termination of the Management Agreement:
(i) at the initiative of Valneva UK Ltd. without good cause, or
(i) at the initiative of the corporate officer justified by circumstances entailing a reduction in law or fact of his responsibilities in Valneva SE

+ Payment until the termination of the Management Agreement (or until the date of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2021, and no later than June 30, 2022), of an amount equal to:
  - the fixed compensation provided for in Section 6.1 of the Management Agreement (as adjusted); and
  - the bonus mentioned in Section 6.3 of the Management Agreement, on a pro rata basis, it being understood that the bonus cannot exceed 50% of the gross annual salary defined in Section 6.1 of the Management Agreement (as adjusted).

Estimate gross amounts to be paid by Valneva UK Ltd., including charges, in case of event (2) occurring at December 31, 2019

Indemnities: €1,118,477.94
Costs: €140,318.20
Total: €1,258,796.14

(3) Termination of the Management Agreement:
(i) at the initiative of Valneva UK Ltd. with good cause, or
(ii) at the initiative of the corporate officer not justified by circumstances entailing a reduction in fact or in right of his responsibilities in Valneva SE

+ No severance benefits are payable to the corporate officer, without prejudice, however to the possible application of the non-compete provisions mentioned below in (5).
+ Discontinuation of payment of any compensation, bonuses and benefits in kind as from the date of effect of the termination of the corporate office. This date is immediate in the case of a removal for good cause. It takes effect after a two-month notice period (end of month) in the event of resignation.

(4) Dismissal of the corporate officer in connection with a Change of Control of Valneva SE (as defined in the Management Agreement)

+ Indemnification for the loss of unvested or unconverted (upon Change of Control) preferred shares granted or purchased under Valneva SE's long-term incentive programs.
+ The gross amount of this indemnity shall be calculated as though such preferred shares had been vested and converted upon the Change of Control. The conditions and limitations set forth in the applicable LTI program rules shall apply to such calculation, *mutatis mutandis.*
+ The indemnity shall be in lieu of any other termination indemnity provided for in Section 12 of the Management Agreement.

Estimate gross amounts to be paid by Valneva UK Ltd., including charges, in case of event (4) occurring at December 31, 2019 with a share price of €7 upon Change of Control, assuming the Free convertible preferred share program 2017 is still in force

Indemnities: €1,883,748.02
Costs: €259,957.23
Total: €2,143,705.25

(5) Application of the non-compete clause

+ The Management Agreement contains a post-contractual non-compete clause.
This applies (i) automatically, except where expressly waived by Valneva UK Ltd., in the event of dismissal by Valneva UK Ltd. for good cause, or resignation at the initiative of the corporate officer not justified by circumstances entailing a reduction in law or fact of his responsibilities in Valneva SE, and (ii) upon the express declaration by Valneva UK Ltd. in the other cases of termination (removal by Valneva UK Ltd. without good cause, resignation of the corporate officer justified by the circumstances defined above).
+ When the non-compete clause applies, this results in the payment of financial consideration equal to the amount of compensation defined by Section 6.1 of the Management Agreement and the bonus defined by Section 6.3 of the Management Agreement, on a pro rata basis, for the duration of the non-compete obligation (*i.e.* 1 year from the date of the Management Agreement's termination).

This payment shall not be payable in combination with the continued payment of compensation mentioned above in paragraph (2).

Estimate gross amounts to be paid by Valneva UK Ltd., including charges, in case of event (5) occurring at December 31, 2019

Indemnities in case of application of the non-compete clause for a period of 12 months: €447,391.18
Costs: €56,127.26
Total: €503,518.43

Except in the case of indemnities paid in consideration of the non-compete clause, any indemnity that would be payable by Valneva UK Ltd. in accordance with the foregoing shall be pay only if Mr. David Lawrence achieves not less than 60% of his individual and collective goals in the aggregate during the preceding calendar year, as these goals are set and assessed by the Supervisory Board.

Indemnities set in Section 12 of the Management Agreement shall exclude any other indemnity, compensation or benefit, to the extent permitted by law.

The contractual relationship between Valneva UK Ltd. and Mr. David Lawrence in his capacity as Management Board member and CFO is regulated by the English law, the Articles of Association of Valneva UK Ltd., the provisions of his Management Agreement and the decisions of the Board of Directors of Valneva UK Ltd.

Management Agreement executed with Valneva SE, as amended
entered into force on August 7, 2017 and terminated on December 31, 2018 COB
Management Agreement authorized by the Supervisory Board on August 1, 2017
Amended by decision of the Supervisory Board on March 20, 2018

(1) Inability to work due to illness or accident

+ Valneva SE shall pay the difference between the health insurance allowance and the corporate officer's fixed remuneration, so that he receives an aggregate amount equal to 100% of the compensation outlined in Section 6.1 of the Management Agreement for a period of three months, and to 49% for an additional maximum period of three months.
  The limit for a period of 24 consecutive months is 100% compensation up to a maximum of six months, and 49% for a further maximum of six months.
+ In all cases, payments shall cease upon termination of the Management Agreement.

(2) Termination of the management agreement pursuant to removal of the corporate officer by Valneva SE without good cause *(juste motif)*

+ Payment until the termination of the Management Agreement (or until the date of the Annual General Meeting of Valneva SE called for the purpose of approving the financial statements of the fiscal year 2018, and no later than June 30, 2019), of an amount equal to:
  - the fixed compensation provided for in Section 6.1 of the Management Agreement (as adjusted); and
  - the bonus mentioned in Section 6.3 of the Management Agreement, on a pro rata basis, it being understood that the bonus cannot exceed 50% of the gross annual salary defined in Section 6.1 of the Management Agreement (as adjusted).

(3) Termination of the management agreement pursuant to:
(i) removal of the corporate officer by Valneva SE with good cause *(juste motif)*; or
(ii) resignation of the corporate officer

+ No severance benefits are payable to the corporate officer, without prejudice, however to the possible application of the non-compete provisions mentioned below in (4).
+ Discontinuation of payment of any compensation, bonuses and benefits in kind as from the date of effect of the termination of the corporate office. This date is immediate in the case of a removal for good cause. It takes effect after a two-month notice period (end of month) in the event of resignation.

(4) Application of the non-compete clause

+ The Management Agreement contains a post-contractual non-compete clause.
  This clause applies (i) automatically, except where expressly waived by Valneva SE, in the event of dismissal by Valneva SE for good cause *(juste motif)* or resignation of the corporate office not justified, and (ii) upon the express declaration by Valneva SE, in other cases of termination (removal by Valneva SE without good cause).
+ When the non-compete clause applies, this results in the payment of financial consideration equal to the amount of compensation defined by Section 6.1 of the Management Agreement (as adjusted) and the bonus defined by Section 6.3 of the Management Agreement, on a pro rata basis, for the duration of the non-compete obligation (*i.e.* 1 year from the date of the Management Agreement's termination).

  This payment shall not be payable in combination with the continued payment of compensation mentioned above in paragraph (2).

Except in the case of indemnities paid in consideration of the non-compete clause, any indemnity that would be payable by Valneva SE in accordance with the foregoing shall be pay only if Mr. David Lawrence achieves not less than 60% of his individual and collective goals in the aggregate during the preceding calendar year, as these goals are set and assessed by the Supervisory Board.

Indemnities set in Section 12 of the Management Agreement shall exclude any other indemnity, compensation or benefit, to the extent permitted by law.

Relations between Valneva SE and Mr. David Lawrence, in his capacity as a member of the Company's Management Board and CFO, are governed by French law and regulations, the Company's articles of association, the provisions of the Management Agreement and the decisions of Valneva SE's Supervisory Board.

Additional provisions specifically relating to the non-compete commitments

Mr. Thomas Lingelbach

- Legal restrictions on competition pursuant to Section 24 of the Austrian Act on Limited Liability Companies apply to the corporate officer.
- Article 10.2 of the Management Agreement of Mr. Lingelbach (non-applicable if waiver by Valneva Austria GmbH): for a period of one year following the termination of his Management Agreement, the corporate officer shall not be gainfully employed with a competitor, especially in the fields of serums.

  "Being gainfully employed" means in particular (without limitation): (i) entering into a contractual relationship with a competitor of Valneva Austria GmbH, be it as white-collar employee, consultant or in a similar position; or (ii) becoming a direct or indirect owner or shareholder of a home or foreign competitor of Valneva Austria GmbH, except for the investment in listed stock corporations for investment reasons only; or (iii) becoming member of a legal (representative) body of a competitor of Valneva Austria GmbH, especially in the Management Board, the Supervisory Board or as a counsel or consultant, even if the services are not remunerated.
- Article 10.3 of the Management Agreement of Mr. Lingelbach: the corporate officer shall not, for a period of 12 months following the termination of the employment, induce personnel, freelancer, consultants or members of the Scientific Board in whichever form to terminate their employment contract with Valneva Austria GmbH.

Mr. Franck Grimaud

- Article 10.1 of the Management Agreement of M. Grimaud (non-applicable if waived by the Supervisory Board of Valneva SE): for a period of one year following the termination of his respective Management Agreement, the corporate officer shall not be gainfully employed with a competitor, especially in the fields of serums.

  "Being gainfully employed" means in particular (without limitation): (i) entering into a contractual relationship with a competitor of Valneva SE or Valneva Austria GmbH, be it as white-collar employee, consultant or in a similar position; or (ii) becoming direct or indirect owner or shareholder of a home or foreign competitor of Valneva SE or Valneva Austria GmbH, except for the investment in listed stock corporations for investment reasons only; or (iii) becoming member of a legal (representative) body of a competitor of Valneva SE or Valneva Austria GmbH, especially in the Management Board, the Supervisory Board or as a counsel or consultant, even if the services are not remunerated.
- Article 10.2 of the Management Agreement of Mr. Grimaud: the corporate officer shall not, for a period of 12 months following the termination of the employment, induce personnel, freelancers, consultants or members of the Scientific Board in whichever form to terminate their employment contract with Valneva SE.

Mr. David Lawrence

- Article 10.1 of the Management Agreement of M. Lawrence (non-applicable if waived by the Supervisory Board of Valneva SE): for a period of one year following the termination of his respective Management Agreement, the corporate officer shall not be gainfully employed with a competitor, especially in the fields of serums.

"Being gainfully employed" means in particular (without limitation): (i) entering into a contractual relationship with a competitor of Valneva UK Ltd., Valneva SE or Valneva Austria GmbH, be it as white-collar employee, consultant or in a similar position; or (ii) becoming direct or indirect owner or shareholder of a home or foreign competitor of Valneva UK Ltd., Valneva SE or Valneva Austria GmbH, except for investments in listed companies for investment reasons only; or (iii) becoming member of a governing body of a competitor of Valneva UK Ltd., Valneva SE or Valneva Austria GmbH, especially in the Management Board, the Supervisory Board or as an advisor or consultant, even if the services are not paid.

+ Article 10.2 of the Management Agreement of Mr. Lawrence: the corporate officer shall not, for a period of 12 months following the termination of the employment, induce personnel, freelancers, consultants or members of the Scientific Board to terminate their employment or consultancy contract with Valneva UK Ltd., Valneva SE or their subsidiaries.

Mr. Wolfgang Bender

The Management Agreements executed between Mr. Wolfgang Bender and Valneva Austria GmbH or Valneva SE, depending on the case contain the following provisions:

+ Legal restrictions on competition pursuant to Section 24 of the Austrian Act on Limited Liability Companies apply to the corporate officer in accordance with his Management Agreement signed with Valneva Austria GmbH.
+ Article 10.1/10.2 (depending on the concerned agreement) of the Management Agreement of Mr. Bender (non-applicable if waiver by Valneva Austria GmbH or by the Supervisory Board of Valneva SE, depending on the case): for a period of one year following the termination of his Management Agreement, the corporate officer shall not be gainfully employed with a competitor, especially in the fields of vaccines.

  "Being gainfully employed" means in particular (without limitation): (i) entering into a contractual relationship with a competitor of Valneva Austria or Valneva SE, depending on the case, be it as white-collar employee, consultant or in a similar position; or (ii) becoming a direct or indirect owner or shareholder of a home or foreign competitor of Valneva Austria GmbH or Valneva SE, depending on the case, except for the investment in listed companies for investment reasons only; or (iii) becoming member of a governing body of a competitor of Valneva Austria GmbH or Valneva SE, depending on the case, especially in the Management Board, the Supervisory Board or as an advisor or consultant, even if the services are not paid.
+ Article 10.2/10.3 of the Management Agreement of Mr. Bender: the corporate officer shall not, for a period of 12 months following the termination of the employment, induce personnel, freelancer, consultants or members of the Scientific Board to terminate their employment contract with Valneva Austria GmbH or their employment or consultancy contract with Valneva SE or its subsidiaries, depending on the case.

The Management Agreements signed by Mr. Wolfgang Bender contain an additional provision authorizing M. Bender to remain a Managing Director of LB Life Sciences Consulting, provided that he shall not perform any consulting activity for so long as he is a Managing Director of Valneva Austria GmbH or a Management Board member of Valneva SE.

Mr. Frédéric Jacotot

+ Article 10.1 of the Management Agreement of M. Jacotot (non-applicable if waived by the Supervisory Board of Valneva SE): for a period of one year following the termination of his respective Management Agreement, the corporate officer shall not be gainfully employed with a competitor, especially in the fields of serums.

"Being gainfully employed" means in particular (without limitation): (i) entering into a contractual relationship with a competitor of Valneva SE or Valneva Austria GmbH, be it as white-collar employee, consultant or in a similar position; or (ii) becoming direct or indirect owner or shareholder of a home or foreign competitor of Valneva SE or Valneva Austria GmbH, except for the investment in listed stock corporations for investment reasons only; or (iii) becoming member of a legal (representative) body of a competitor of Valneva SE or Valneva Austria GmbH, especially in the Management Board, the Supervisory Board or as a counsel or consultant, even if the services are not remunerated.

+ Article 10.2 of the Management Agreement of Mr. Jacotot: the corporate officer shall not, for a period of 12 months following the termination of the employment, induce personnel, freelancers, consultants or members of the Scientific Board in whichever form to terminate their employment contracts with Valneva SE.

Death and endowment insurance policy subscribed to the benefit of Mr. Thomas Lingelbach

Mr. Thomas Lingelbach, in its capacity as Managing Director of Valneva Austria GmbH, benefit from a life and endowment insurance policy paid for by Valneva Austria GmbH.

The premium currently paid by Valneva Austria GmbH amount to €1,000 per month[54].

Valneva Austria GmbH will stop paying this insurance premium upon termination or expiration of the Management Agreement between the corporate officer and Valneva Austria GmbH.

Mr. Lingelbach may then, in its sole discretion, (a) leave the accrued savings within the insurance policy until the retirement age (such savings would then approximately amount to €166,197[55]), (b) terminate the insurance policy and get the accrued savings as a cash settlement, or (c) convert the accrued savings into a life annuity paid by the insurance company.

Upon expiration of his Management Agreement at the end of June 2022, Mr. Lingelbach could get approximately €204,408 as a cash settlement, or €10,456 per year as a life annuity.

Contribution paid to the benefit of Messrs. David Lawrence and Wolfgang Bender with respect to their pension plan and health insurance program

Messrs. David Lawrence and Wolfgang Bender, Management Board members and respectively CFO and CMO, benefit of a pension plan and a health insurance program, to which the Company or the Austrian subsidiary, as applicable, contributed in 2018 for the amount set forth in the applicable Management Agreements:

- with respect to Mr. David Lawrence, Valneva SE contributed 15% of the corporate officer's fixed remuneration (*i.e*. €40,425.75);
- concerning Mr. Wolfgang Bender, Valneva SE paid allowances in the amount of €4,662.36. Valneva Austria GmbH also paid allowances for the total amount of €6,993.60.

These pension plans are standard plans in each country of the corporate officers and does not constitute "top-hat" retirement schemes.

[54] See Section 6.2.1 (b) of this Report by the Supervisory Board on the Corporate Governance.

[55] These numbers are approximate only because they depend on the actual financial performance of the insurance policy.

6.2.2. Remuneration granted to the Supervisory Board members

Attendance fees and other remuneration received by non-executive officers

	Amounts paid in 2018	Amounts paid in 201
Mr. Frédéric Grimaud, Chairman of the Supervisory Board		
Attendance fees	€50,000	€50,000
Other remuneration	€0	€0
Mr. Alain Munoz, Supervisory Board member		
Attendance fees	€35,000	€35,000
Other remuneration	€0	€0
Ms. Louisa Shaw-Marotto, Supervisory Board member		
Attendance fees	€30,000	€30,000
Other remuneration	€0	€0
Ms. Anne-Marie Graffin, Supervisory Board member		
Attendance fees	€30,000	€30,000
Other remuneration	€0	€0
Mr. James Sulat, Vice-Chairman of the Supervisory Board		
Attendance fees	€45,000	€45,000
Other remuneration	€0	€0
Mr. Ralf Clemens, Supervisory Board member		
Attendance fees	€35,000	€35,000
Other remuneration	€0	€0
Mr. Alexander Von Gabain, Supervisory Board member		
Attendance fees	€30,000	€30,000
Other remuneration	€0	€0
Ms. Sandra E. Poole, Supervisory Board member		
Attendance fees	€30,000	€12,500
Other remuneration	€0	€0
Bpifrance Participations SA, Supervisory Board member, represented by Ms. Maïlys Ferrere		
No payment has to be made with respect to the office of Supervisory Board member, either to Bpifrance Participations SA, or to its permanent representative.		
Mr. Balaji Muralidhar		
No payment has to be made to Mr. Muralidhar; he expressly renounced to it.		
TOTAL	**€285,000**	**€267,500**

6.3. Shareholding of the Management and Supervisory Board members in the share capital of the Company

6.3.1. Share capital held by the Management and Supervisory Board members

The figures below have been calculated in reference to a share capital of 92,106,952 Valneva SE shares, divided into (a) 90,917,048 ordinary shares (ISIN FR0004056851) with a par value of €0.15 each, (b) 17,836,719 preferred shares (ISIN FR0011472943) with a par value of €0.01 each, written down to a par value of €0.15, and (c) 789 convertible preferred shares (ISIN XFCS00X0I9M1), with a par value of €0.15 each.

Shareholding of the Management Board members at February 28, 2019

Nom	Shares owned	Number of stock options owned and free shares being acquired
Mr. Thomas Lingelbach Chairman of the Management Board - President & CEO	**130,529 Valneva SE shares** (*i.e.* 0,14% of the Company's share capital) Divided as follows : + 129,983 ordinary shares + 3,575 preferred shares (ISIN FR0011472943) + 308 convertible preferred shares (ISIN XFCS00X0I9M1)	**+ 200,000 stock options,** giving right to subscribe for **209,962 Valneva SE ordinary shares** **+ 13,296 free convertible preferred shares being acquired,** giving right to a maximum of **1,116,952 Valneva SE ordinary shares**
Mr. Franck Grimaud Management Board member - President & CBO	**482,807 Valneva SE shares** (*i.e.* 0,52% of the Company's share capital) Divided as follows : + 482,589 ordinary shares + 218 convertible preferred shares (ISIN XFCS00X0I9M1)	**+ 100,000 stock options,** giving right to subscribe for **109,962 Valneva SE ordinary shares** **+ 10,101 free convertible preferred shares being acquired,** giving right to a maximum of **833,362 Valneva SE ordinary shares**
Mr. Frédéric Jacotot Management Board member - General Counsel & Corporate Secretary	**4,869 Valneva SE shares** (*i.e.* 0,01% of the Company's share capital) Divided as follows : + 4,802 ordinary shares + 67 convertible preferred shares (ISIN XFCS00X0I9M1)	**+ 10,000 stock options,** giving right to subscribe for **10,997 Valneva SE ordinary shares** **+ 6,326 free convertible preferred shares being acquired,** giving right to a maximum of **455,862 Valneva SE ordinary shares**
Mr. David Lawrence Management Board member - CFO	**4,802 Valneva SE ordinary shares** (*i.e.* 0,01% of the Company's share capital)	**+ 4,651 free convertible preferred shares being acquired,** giving right to a maximum of **288,362 Valneva SE ordinary shares**
Mr. Wolfgang Bender Management Board member - CMO	**4,802 Valneva SE ordinary shares** (*i.e.* 0,01% of the Company's share capital)	**+ 4,651 free convertible preferred shares being acquired,** giving right to a maximum of **288,362 Valneva SE ordinary shares**

Shareholding of the Supervisory Board members at February 28, 2019

Name	Shares owned	Number of equity warrants owned
Mr. Frédéric Grimaud Chairman of the Supervisory Board	**257,996 Valneva SE ordinary shares** (*i.e.* 0.28% of the share capital of the Company)	**18,000 BSA 25 and 25,000 BSA 27**, giving right to 43,000 Valneva SE ordinary shares in total
Mr. Alain Munoz Member of the Supervisory Board	**41,800 Valneva SE ordinary shares** (*i.e.* 0.05% of the share capital of the Company)	**9,750 BSA 25 and 12,500 BSA 27**, giving right to 22,500 Valneva SE ordinary shares in total
Mr. James Sulat Vice-Chairman of the Supervisory Board	**17,867 Valneva SE ordinary shares** (*i.e.* 0.02% of the share capital of the Company)	**9,750 BSA 25 and 12,500 BSA 27**, giving right to 22,500 Valneva SE ordinary shares in total
Mr. Alexander Von Gabain Member of the Supervisory Board	**39,687 Valneva SE shares** (*i.e.* 0.04% of the share capital of the Company), Breaking down as follows: + 32,218 ordinary shares; and + 22,048 preferred shares (ISIN FR0011472943)	**9,750 BSA 25 and 12,500 BSA 27**, giving right to 22,500 Valneva SE ordinary shares in total
Ms. Anne-Marie Graffin Member of the Supervisory Board	0	**9,750 BSA 25 and 12,500 BSA 27**, giving right to 22,500 Valneva SE ordinary shares in total
Ms. Louisa Shaw-Marotto Member of the Supervisory Board	0	0
Mr. Ralf Clemens Member of the Supervisory Board	0	**12,500 BSA 27**, giving right to 12,500 Valneva SE ordinary shares in total
Bpifrance Participations SA Member of the Supervisory Board (Permanent representative : Ms. Maïlys Ferrere)	**7,456,785 Valneva SE ordinary shares** (*i.e.* 8,10% of the share capital of the Company)	0
Mr. Balaji Muralidhar Member of the Supervisory Board	0	0
Ms. Sandra E. Poole Member of the Supervisory Board	0	0

6.3.2. Corporate officers' dealings on the Company's securities

In accordance with Article L. 621-18-2 of the French Monetary and financial code, the table below shows the transactions carried out by Valneva SE's corporate officers on the Company's shares during the fiscal year 2018. These transactions were carried out on Euronext Paris.

Nature of the transaction	Date	Name	Office	Unit price (in euros)	Number of shares
Subscription of ordinary shares of Valneva SE as part of a private placement[56]	2018.09.27	Groupe Grimaud La Corbière SA	Legal entity linked to Mr. Frédéric Grimaud, Chairman of the Management Board of Groupe Grimaud La Corbière SA and Chairman of the Supervisory Board of Valneva SE	3.75	1,600,000

7. FACTORS LIKELY TO HAVE AN IMPACT IN CASE OF A PUBLIC OFFERING

7.1. Structure of the Company's share capital at December 31, 2018

At December 31, 2018, the Company's share capital stood at €13,816,042.74 and was divided into:

- 90,917,048 ordinary shares (ISIN FR0004056851) with a par value of €0.15 each;
- 17,836,719 preferred shares (ISIN FR0011472943) with a par value of €0.01 each; and
- 789 convertible preferred shares (ISIN XFCS00X0I9M1), with a par value of €0.15 each.

These shares were all fully paid-up.

The theoretical number of corresponding voting rights (including voting rights having been suspended, such as those associated with treasury shares, as well as double voting rights) amounted to 112,135,207.

Company's shareholding structure at December 31, 2018
(End of business day, to the Company's knowledge)

Shareholders		Shares held (a)					
		Ordinary shares	Preferred shares	Convertible preferred shares	%	Theoretical voting rights	%
Groupe Grimaud La Corbière SA (b)		**13,704,830**	**0**	**0**	**14.88**	**25,809,660**	**23.02**
Bpifrance Participations SA		**7,456,785**	**0**	**0**	**8.10**	**14,913,570**	**13.30**
MVM Funds (MVM IV LP & MVM GP (No.4) Scottish LP)		**6,651,139**	**197,768**	**0**	**7.44**	**6,651,139**	**5.93**
Management Board members	**Total Management Board members**	**626,978**	**238**	**593**	**0.68**	**1,104,765**	**0.98**
	Mr. Franck Grimaud	482,589	0	218	0.52	960,376	0.86
	Mr. Thomas Lingelbach	129,983	238	308	0.14	129,983	0.12
	Mr. Frédéric Jacotot	4,802	0	67	0.01	4,802	0.00
	Mr. David Lawrence	4,802	0	0	0.01	4,802	0.00
	Mr. Wolfgang Bender	4,802	0	0	0.01	4,802	0.00
Employees (non-corporate officers)		**105,071**	**10**	**196**	**0.11**	**202,503**	**0.18**
Other shareholders (private individuals)		**1,173,319**	**1,469**	**0**	**1.27**	**2,254,644**	**2.01**
Including members of the Grimaud family (including Mr. Frédéric Grimaud, Chairman of the Supervisory Board) and Financière Grand Champ SAS (b)		724,899	0	0	0.79	1,413,800	1.26
Including independent members of the Supervisory Board	Mr. Alain Munoz	41,800	0	0	0.05	83,600	0.07
	Mr. James Sulat	17,867	0	0	0.02	35,734	0.03
	Mr. Alexander Von Gabain	38,218	1,469	0	0.04	38,218	0.03
Other floating capital		**61,198,926**	**989,630**	**0**	**67.52**	**61,198,926**	**54.58**
SUBTOTAL BY CATEGORY		90,917,048	1,189,115	789	100	112,135,207	100
TOTAL			92,106,952		100	112,135,207	100

(a) *Percentages in this table are calculated in reference to a share capital of 92,106,952 Valneva SE shares, divided into (a) 90,917,048 ordinary shares (ISIN FR0004056851) with a par value of €0.15 each, (b) 17,836,719 preferred shares (ISIN FR0011472943) with a par value of €0.01 each, written down to a par value of €0.15, and (c) 789 convertible preferred shares (ISIN XFCS00X0I9M1), with a par value of €0.15 each.*

(b) *The "**Groupe Familial Grimaud**" is comprised of the company Groupe Grimaud La Corbière SA, the private shareholders of the Grimaud family and the company Financière Grand Champ SAS.*

[56] See Section A.1.2 (a) of the Company's Registration Document 2018.

For comparison purposes, for the previous fiscal years 2016 and 2017, the Company's shareholding structure was as follows:

Company's shareholding structure at December 31, 2017
(End of business day, to the Company's knowledge)

Shareholders		Shares held (a)					
		Ordinary shares	Preferred shares	Convertible preferred shares	%	Theoretical voting rights	%
Groupe Grimaud La Corbière SA (b)		**12,104,830**	**0**	**0**	**15.37**	**24,209,660**	**24.49**
Bpifrance Participations SA		**7,456,785**	**0**	**0**	**9.47**	**14,913,570**	**15.09**
MVM Funds (MVM IV LP & MVM GP (No.4) Scottish LP)		**5,851,139**	**197,768**	**0**	**7.68**	**5,851,139**	**5.92**
Management Board members	**Total Management Board members**	**626,978**	**238**	**593**	**0.80**	**1,104,765**	**1.12**
	Mr. Franck Grimaud	482,589	0	218	0.61	960,376	0.97
	Mr. Thomas Lingelbach	129,983	238	308	0.17	129,983	0.13
	Mr. Frédéric Jacotot	4,802	0	67	0.01	4,802	0.00
	Mr. David Lawrence	4,802	0	0	0.01	4,802	0.00
	Mr. Wolfgang Bender	4,802	0	0	0.01	4,802	0.00
Employees (non-corporate officers)		**106,571**	**10**	**196**	**0.14**	**202,503**	**0.20**
Other shareholders (private individuals)		**1,237,040**	**1,469**	**0**	**1.57**	**2,364,656**	**2.39**
Including members of the Grimaud family (including Mr. Frédéric Grimaud, Chairman of the Supervisory Board) and Financière Grand Champ SAS (b)		744,899	0	0	0.95	1,433,800	1.45
Including independent members of the Supervisory Board	Mr. Alain Munoz	41,800	0	0	0.05	83,600	0.08
	Mr. James Sulat	17,867	0	0	0.02	35,734	0.04
	Mr. Alexander Von Gabain	38,218	1,469	0	0.05	38,218	0.04
Other floating capital		**50,200,371**	**989,630**	**0**	**64.97**	**50,200,371**	**50.79**
SUBTOTAL BY CATEGORY		**77,583,714**	**1,189,115**	**789**	**100**	**98,846,664**	**100**
TOTAL			**78,773,618**		**0**	**98,846,664**	**100**

(a) Percentages in this table are calculated in reference to a share capital of 78,773,618 Valneva SE shares, divided into (a) 77,583,714 ordinary shares (ISIN FR0004056851) with a par value of €0.15 each, (b) 17,836,719 preferred shares (ISIN FR0011472943) with a par value of €0.01 each, written down to a par value of €0.15, and (c) 789 convertible preferred shares (ISIN XFCS00X0I9M1), with a par value of €0.15 each.

*(b) The "**Groupe Familial Grimaud**" is comprised of the company Groupe Grimaud La Corbière SA, the private shareholders of the Grimaud family and the company Financière Grand Champ SAS.*

Company's shareholding structure at December 31, 2016
(End of business day, to the Company's knowledge)

Shareholders		Shares held (a)					
		Ordinary shares	Preferred shares	Convertible preferred shares	%	Voting rights (theoretical)	%
Groupe Grimaud La Corbière SA (b)		**12,104,830**	**0**	**0**	**15.37**	**23,948,157**	**24.81**
Bpifrance Participations SA		**7,456,785**	**0**	**0**	**9.47**	**12,956,648**	**13.43**
MVM Funds (MVM IV LP & MVM GP (No.4) Scottish LP)		**5,851,139**	**197,768**	**0**	**7.68**	**5,851,139**	**6.06**
Management Board members	**Total Management Board members**	**658,438**	**866**	**744**	**0.84**	**1,033,578**	**1.07**
	Mr. Franck Grimaud	477,787	0	218	0.61	852,927	0.88
	Mr. Thomas Lingelbach	124,205	238	308	0.16	124,205	0.13
	Mr. Reinhard Kandera	56,446	628	218	0.07	56,446	0.06
Employees (non-corporate officers)		**122,427**	**10**	**330**	**0.16**	**221,407**	**0.23**
Other shareholders (private individuals)		**1,269,584**	**1,501**	**0**	**1.61**	**2,378,455**	**2.46**
Including members of the Grimaud family (including Mr. Frédéric Grimaud, Chairman of the Supervisory Board) and Financière Grand Champ SAS (b)		780,899	0	0	0.99	1,467,256	1,52
Including independent members of the Supervisory Board	Mr. Alain Munoz	41,800	0	0	0.05	83,600	0.09
	Mr. James Sulat	17,867	0	0	0.02	31,367	0.03
	Mr. Alexander Von Gabain	38,218	1,469	0	0.05	38,218	0.04
Other floating capital		**50,119,511**	**988,970**	**0**	**64.87**	**50,119,511**	**51.94**
SUBTOTAL BY CATEGORY		**77,582,714**	**1,189,115**	**1,074**	**100**	**96,508,895**	**100**
TOTAL			**78,772,903**		**100**	**96,508,895**	**100**

***(a)** Percentages in this table are calculated in reference to a share capital of 78,772,903 Valneva SE shares, divided into (a) 77,582,714 ordinary shares (ISIN FR0004056851) with a par value of €0.15 each, (b) 17,836,719 preferred shares (ISIN FR0011472943) with a par value of €0.01 each, written down to a par value of €0.15, and (c) 1,074 convertible preferred shares (ISIN XFCS00X0I9M1), with a par value of €0.15 each.*

***(b)** The "**Groupe Familial Grimaud**" is comprised of the company Groupe Grimaud La Corbière SA, the private shareholders of the Grimaud family and the company Financière Grand Champ SAS.*

7.2. Restrictions under the Articles of Association on the exercise of voting rights or the transfer of shares; clauses of agreements brought to the attention of the Company in accordance with article L. 233-11 of the French Commercial code

7.2.1. Restrictions under the Articles of Association on voting rights held by shareholders in General Meetings

(a) Restrictions relating to double voting rights

In principle, except in cases where the law provides otherwise, each shareholder shall have as many voting rights and express as many votes at Meetings as this shareholder has Ordinary Shares fully paid up. Consequently, article 13.2, 2° of the Company's Articles of Associations states that: "for the same par value, each *[Valneva SE]* capital share or dividend right ("*action de jouissance*") shall confer one vote".

Nevertheless, prior to the merger of Vivalis SA and Intercell AG, shareholders of the Company had the possibility to benefit from a double voting right for registered ordinary shares held for at least two years, under the terms set out in the Articles of Association.

Following the merger, and in accordance with the Merger Agreement in its version dated December 16, 2012, it was agreed that the double voting right for holders of Vivalis' ordinary shares would be cancelled and that a new system of double voting rights would be effective again two years after the merger.

Therefore, article 13.2, 3° of the Articles of Association states that "Ordinary Shares fully paid up and evidenced as having been held in registered form in the name of the same shareholder for at least two years from the registration of the Company as a European Company *[i.e. as from May 28, 2013]*, carry a double voting right in respect to that granted to other ordinary shares *[of the Company]*, according to the portion of share capital they represent".

Consequently, double voting rights on Valneva SE ordinary shares have been reinstated as from May 28, 2015 only, for shareholders complying with the rules defined in the Articles of Association.

(b) Mandatory information regarding threshold crossings

Article 12, paragraph 4 of the Company's Article of Association states that in addition to the legal obligation to inform the Company of holdings of certain fractions of the share capital and to make any resulting declaration of intent, "each natural or legal person, acting alone or in concert, who comes to hold or ceases to hold a fraction equal to 2% of the share capital or voting rights, or any multiple of this percentage, shall be obliged to notify the Company of the same within four stock exchange trading days, as soon as one of these thresholds is crossed, by registered letter with notice of receipt, addressed to the registered office of the Company, specifying the number of shares, corresponding voting rights and securities giving access to the share capital that it holds alone or in concert".

In accordance with article 12, paragraphs 8 and 9 of the Company's Articles of Association, failure to observe this requirement to report the crossing of ownership thresholds shall be "sanctioned, at the demand […] of one or several shareholders who together hold a fraction of at least 2% of the share capital or voting rights of the Company, by suspension of voting rights attached to the Shares which exceed the fraction that has not been regularly declared for each General Meeting held until the date of regularization of the notification. Furthermore, "in the event that the registered shareholder knowingly disregards the notification obligation for threshold crossing with regard to the Company, the Commercial Court within the jurisdiction of which the Company has its registered offices may, at the request of the Company or of a shareholder, pronounce the complete or partial suspension of voting rights, for a total period not exceeding five years, against any shareholder who not complied with the requirements governing the disclosures cited above or the content of the declaration of intent provided

in article L. 233-7, VII of the French Commercial code within six (6) months of the publication of the said declaration".

(c) Suspension on restrictions to the exercise of voting rights

The Company's Articles of Association do not provide for mechanisms designed to suspend, during General Meetings held to adopt or authorize defensive measures against a public offer targeting Valneva SE, the effects of:

- any clause in agreements executed after April 21, 2014 providing for restrictions on the exercise of voting rights attached to Valneva SE ordinary shares (such as a temporary waiver to the exercise of voting rights or to the double voting right); or
- the restrictions provided for in the Articles of Association as described above.

7.2.2. Clause of Articles of Association providing for restrictions on transfer of the Company's shares

Valneva SE's Articles of Association do not contain any clause that would restrict the transfer of shares of the Company (such as approval or right of first refusal clauses).

7.2.3. Clauses of agreements brought to the attention of the Company in accordance with article L. 233-11 of the French Commercial code

The Company was not informed in 2018 of any new contractual provisions providing for preferential terms and conditions for the sale and purchase of Valneva shares concerning at least 0.5% of the Company's share capital or voting rights[57].

7.3. Direct or indirect shareholdings in the share capital of the Company, of which the Company has been informed in accordance with articles L. 233-7 and L. 233-12 of the French Commercial code[58]

Caisse des Dépôts et des Consignations ("CDC")

On October 3, 2018, the CDC declared that it has indirectly (through Bpifrance Participations SA[59] and CDC Entreprises Valeurs Moyennes ("**CDC EVM**")) and passively crossed below the legal thresholds of 10% of the share capital and 15% of the voting rights, as well as the threshold of 16% of the voting rights of Valneva SE, as defined by the Company's Articles of Association.

On this occasion, Bpifrance Participations SA individually and passively crossed below the legal threshold of 15%, and the threshold of 14% as defined by the Articles of Association, of the Company's voting rights.

The crossing of these thresholds resulted from the increase of outstanding shares following the private placement of Valneva SE[60], which brought CDC's indirect stake to 9.56% of the share capital and 14.50% of the voting rights of the Company, breaking down as follows:

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[57] Nevertheless, please refer to Section 7.6 of this Report by the Supervisory Board on the Corporate Governance regarding the shareholders agreement executed on July 5, 2013 (as amended) between the company Groupe Grimaud La Corbière SA, the Fonds Stratégique d'Investissement (now Bpifrance Participations SA), Messrs. Franck Grimaud and Thomas Lingelbach.

[58] For a reminder of the applicable thresholds, please refer to Section 7.2.1 (b) of this Corporate Governance Report.

[59] Bpifrance Participations SA is controlled by Bpifrance SA, itself jointly controlled 50% by the CDC and 50% by EPIC Bpifrance.

[60] See Section A.1.2 (a) of the Company's Registration Document 2018.

Shareholders	Ordinary shares	%	Voting rights (theoretical)	%
CDC (direct)	0	0	0	0
CDC EVM	1,353,700	8.09	1,353,700	13.30
Bpifrance Participations	7,456,785	1.47	14,913,570	1.20
TOTAL CDC	8,810,485	9,56	16,267,270	14.50

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On march 7, 2019, the CDC declared that it has indirectly (through Bpifrance Participations SA[61] and CDC EVM) and passively crossed below the legal thresholds of 14% of the voting rights of Valneva SE, as defined by the Company's Articles of Association.

The crossing of these thresholds resulted from the increase of outstanding voting rights, which brought CDC direct stake to 9.69% of the share capital and 13.78% of the voting rights of the Company, breaking down as follows:

Shareholders	Ordinary shares	%	Voting rights (theoretical)	%
CDC (direct)	0	0	0	0
CDC EVM	1,353,700	8.20	1,353,700	12.64
Bpifrance Participations	7,456,785	1.48	14,913,570	1.14
TOTAL CDC	8,810,485	9,69	16,267,270	13.78

EPIC Bpifrance

On October 3, 2018, EPIC Bpifrance declared that it has indirectly (through Bpifrance Participations SA[62]) and passively crossed below the legal thresholds of 15% of the voting rights, as well as the threshold of 14% of the voting rights of Valneva SE as defined by the Company's Articles of Association.

The crossing of these thresholds resulted from the share capital increase of Valneva SE following the private placement of the Company[63], which brought EPIC Bpifrance's stake to 8.09% of the share capital and 13.30% of the voting rights of the Company, breaking down as follows:

Shareholders	Ordinary shares	%	Voting rights (theoretical)	%
EPIC Bpifrance (direct)	0	0	0	0
Bpifrance Participations	7,456,785	8.09	14,913,570	13.30
TOTAL EPIC Bpifrance	7,456,785	8.09	14,913,570	13.30

Groupe Grimaud La Corbière SA

On January 25, 2018, Groupe Grimaud La Corbière SA declared that it has crossed below (i) the legal threshold of 15% of the share capital and (ii) the threshold of 24% of the voting rights of Valneva SE, as defined by the Articles of Association.

The crossing of these thresholds resulted from the share capital increase of the Company executed on October 1, 2018 in the context of the private placement of Valneva SE[64].

[61] Bpifrance Participations SA is controlled by Bpifrance SA, itself jointly controlled 50% by the CDC and 50% by EPIC Bpifrance.

[62] Bpifrance Participations SA is controlled by Bpifrance SA, itself jointly controlled 50% by the CDC and 50% by EPIC Bpifrance.

[63] See Section A.1.2 (a) of the Company's Registration Document 2018.

[64] *Idem*.

Groupe Grimaud La Corbière declared to own 13,704,830 ordinary shares of the Company on October 1, 2018 (or 14.88% of the share capital), representing 25,809,660 voting rights (or 23.02% of the voting rights of the Company).

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On March 5, 2019, Groupe Grimaud La Corbière SA declared that it has individually crossed below the threshold of 22% of the voting rights of Valneva SE, as defined by the Articles of Association.

The crossing of this threshold resulted from (i) the purchase of new Company's ordinary shares, and (ii) the allocation of double voting rights by the funds MVM IV LP et MVM GP (No. 4) Scottish LP (such funds being managed by the English company MVM Partners LLP).

Since February 27, 2019, Groupe Grimaud La Corbière SA holds 13,704,830 ordinary shares of the Company, or 14.88% of the share capital, which corresponds to 25,809,660 voting rights, or 21.88% of the Company's voting rights.

Financière Grand Champ SAS

On January 25, 2019, the company Financière Grand Champ SAS declared that the *Groupe Familial Grimaud* (which includes Financière Grand Champ SAS) crossed below (i) the legal threshold of 25% of the Company's voting rights and (ii) the threshold of 16% of the Company's share capital, as defined by the Articles of Association.

The crossing of these thresholds resulted from the share capital increase of the Company executed on October 1, 2018 in the context of the private placement of Valneva SE[65].

The company Financière Grand Champ SAS declared that the *Groupe Familial Grimaud* owns 14,429,729 Valneva SE ordinary shares since October 1, 2018 (or 15.67% of the share capital), representing 27,223,460 voting rights (or 24.28% of the Company's voting rights), breaking down as follows:

Shareholders	Ordinary shares	%	Voting rights (theoretical)	%
Groupe Grimaud La Corbière	13,704,830	14.88	25,809,660	23.02
Financière Grand Champ	193,977	0.21	387,954	0.35
Joseph GRIMAUD	137,831	0.15	244,346	0.22
Marie-Thérèse GRIMAUD	69,230	0.08	138,460	0.12
Frédéric GRIMAUD	257,996	0.28	512,940	0.46
Renée GRIMAUD	64,135	0.07	128,270	0.11
Thomas GRIMAUD	100	ns	200	ns
Odile GRIMAUD	62	ns	62	ns
Agnès GRIMAUD	1,022	ns	1,022	ns
Anne-Marie GRIMAUD	480	ns	480	ns
Bruno GRIMAUD	66	ns	66	ns
TOTAL Groupe Familial Grimaud	14,429,729	15.67	27,223,460	24.28

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On March 5, 2019, the company Financière Grand Champ SAS declared that the *Groupe Familial Grimaud* (which includes Financière Grand Champ SAS) crossed below the threshold of 24% of the Company's voting rights, as defined by the Articles of Association.

[65] *Idem*.

The crossing of this threshold resulted from (i) the purchase of new Company's ordinary shares, and (ii) the allocation of double voting rights by the funds MVM IV LP et MVM GP (No. 4) Scottish LP (such funds being managed by the English company MVM Partners LLP).

Since February 27, 2019, the *Groupe Familial Grimaud* holds 14,429,729 ordinary shares of the Company, or 15.67% of the share capital, which corresponds to 27,223,460 voting rights, or 23.07% of the Company's voting rights.

Fonds MVM

On March 1, 2019, MVM IV LP et MVM GP (No. 4) Scottish LP (together, the "**MVM Funds**") declared that they have crossed above, through the intermediary of their management company MVM PARTNERS LLP:

- the threshold of 6% of the Company's voting rights (as defined by the Articles of Association), following the block acquisition of 241,626 ordinary shares of the Company on February 26, 2019;
- the thresholds of 8% and 10% of the Company's voting rights (as defined by the Articles of Association), and the legal threshold of 10% of the Company's voting rights, following an allocation of double voting rights on February 27, 2019.

The Funds have certified that they do not own or hold any securities giving future access to the shares to be issued, nor any shares held indirectly, nor any shares treated as equivalent to shares held by them within the meaning of articles L. 233-7 *et seq*. of the French Commercial code.

The Funds also declared that the purchase of shares of the Company by MVM PARTNERS LLP (acting as their management company) occurred in the normal course of business of the latter in its capacity as management company. This transaction was carried out with no intention of implementing a particular strategy in relation to the Company or exercising any particular influence on the Company's management. MVM PARTNERS LLP does not act in concert with a third party and does not intend to take control of the Company or to request one or more seats into the Management or Supervisory Board, either for itself or for any other person.

The respective holdings of shares and voting rights are as follows as at February 27, 2019:

Shareholders	Ordinary shares	Preferred shares	Total number of shares*	%	Voting rights (theoretical)	%
MVM IV LP	6,683,893	2,876,629	6,875,668	7.46	12,357,724	10.47
MVM GP (No. 4) Scottish LP	208,872	89,895	214,865	0.23	386,180	0.33
TOTAL	6,892,765	2,966,524	7,090,533	7.70	12,743,904	10.80

* It being specified that the par value of the preferred shares equals to 1/15 of the par value of the ordinary shares of Valneva SE.

7.4. List of all security holders with special control rights; description of said rights

The Company is not aware of the existence of special control rights, other than the double voting rights allocated to all fully paid-up shares that have been registered in the name of the same shareholder for more than two years[66].

7.5. Control mechanisms provided for in a potential employee stock ownership system, where control rights are not exercised by the latter

The Company has not implemented any employee stock ownership system, potentially including mechanisms of control where the control rights are not exercised by the employees.

[66] See Section 7.2.1 (a) of this Report by the Supervisory Board on the Corporate Governance.

7.6. Shareholders agreements known to the Company and which may result in share transfer and voting rights restrictions

A shareholders agreement dated July 5, 2013 (as amended) was executed between Groupe Grimaud La Corbière SA ("**GGLC**"), the Fonds Stratégique d'Investissement (now Bpifrance Participations SA) and Messrs. Franck Grimaud and Thomas Lingelbach, Management Board members of Valneva SE[67].

The shareholders agreement is concluded for a period of 6 years. It is renewable by successive one-year periods, unless one of the parties gives prior notice of termination.

The shareholders agreement was executed in connection with the capital increase with preferential subscription rights of Valneva SE, amounting to approximately €40.0 million, which follows the creation of the Company from the merger of Vivalis SA and Intercell AG[68].

The shareholders agreement's main provisions are as follows:

Agreement not to act in concert

Bpifrance Participations, GGLC and the Management Board members have undertaken not to act in concert *vis-à-vis* Valneva SE. In particular, by entering into this shareholders agreement, Bpifrance Participations wishes to maintain its financial interests in the Company.

Governance

Composition of the Supervisory Board

The shareholder agreement notes that Vivalis SA's General Meeting convened on March 7, 2013 to approve the merger and capital increase, appointed as initial members of the Supervisory Board for a 3-year term: (i) three candidates put forth by GGLC, (ii) three candidates put forth by Intercell AG, and (iii) one candidate put forth by Bpifrance Participations.

The permanent representative of Bpifrance Participations also sits on the Compensation and Nominating Committee.

Throughout the term of the shareholders agreement, GGLC and Bpifrance Participations committed themselves to make every effort to abide by these principles for allocating seats in the Supervisory Board[69].

All Supervisory Board decisions shall be taken by simple majority of those members in attendance or represented, with the exception of (i) certain decisions requiring a qualified majority (budget, business plan, appointment and removal of Management Board members, distribution of dividends, draft resolutions for Extraordinary General Meetings, capital increases, etc.), and (ii) any decision for international relocation of Valneva SE's registered offices or of a research and development center operated by Valneva SE in France, which shall require a unanimous vote. For these two types of decision, the quorum (required only upon the first call) shall be the majority of the members with at least one representative nominated by each of GGLC, Intercell AG and Bpifrance Participations. Upon the second call, the quorum shall be the majority of Supervisory Board members.

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[67] Following the death of Majid Mehtali in August 2013, the other parties to the shareholders agreement have proceeded with an amendment on November 10, 2016, in order to acknowledge withdrawal from the agreement of the heirs. An additional amendment has been executed on April 1, 2017 in order to withdraw Mr. Reinhard Kandera from the shareholders agreement, following its departure from the Group end of March 2017.

[68] See the Prospectus submitted for clearance with the French Financial Markets Authority (Visa No. 13-0275): http://www.amf-france.org/Recherche-avancee.html?formId=ALL

[69] For a description of the current members of Valneva SE's Supervisory Board, please refer to Section 1.2 of this Report by the Supervisory Board on the Corporate Governance.

Composition of the Management Board

The shareholders agreement reminds that the Management Board is composed of members whom appointment has been proposed by GGLC (concerning Mr. Franck Grimaud) and by Intercell AG's Supervisory Board (concerning Mr. Thomas Lingelbach)[70].

Transfer of shares

Lock-up commitment

Bpifrance Participations has been subject to a two-year lock-up commitment for its shares (as from the effective date of the shareholders agreement), while the Management Board members have been bound by a 3-year lock-up period. GGLC has been also bound by a lock-up commitment, for a period of four years.

Unrestricted transfers

Transfers between affiliates are not subject to restrictions (subject to the customary conditions: membership, joint liability of the transferor, etc.). Likewise, there is no restriction on contributions of Valneva SE securities by one of the parties to a public offering.

Right of first refusal

Any transfer of securities made by GGLC or Bpifrance Participations following their lock-up period is, without prejudice to the abovementioned unrestricted transfers, subject to a right of first refusal granted to Bpifrance Participations or GGLC (as appropriate), at the price offered by the transferor. Should this right be waived, the transferor shall be entitled to transfer the securities offered to sale by any means, during a period of three months and at a sale price equal to, or greater than, the price offered to GGLC or Bpifrance Participations.

Anti-dilution

Should Valneva SE wish to carry out a capital increase (by consideration in cash) liable to have a dilutive effect on Bpifrance Participations' stake in the Company, GGLC shall, at the request of Bpifrance Participations, make every effort to take measures guaranteeing that Bpifrance Participations' interest in the Company is maintained at its previous level.

7.7. Rules and regulations for the appointment and replacement of Management Board members, or modifications to the Company's Articles of Association

The rules and regulations applicable in this respect comply with the provisions of the Company's Articles of Association and the law.

[70] For a description of the current members of Valneva SE's Management Board, please refer to Section 1.1 of this Report by the Supervisory Board on the Corporate Governance.

7.8. Powers of the Management Board in particular for the issuance and buyback of shares

Concerning the issuance and buyback of shares, the powers of the Management Board are those provided for by statute and regulations applying to European companies with a Management Board and a Supervisory Board.

7.8.1. Current delegations in connection with stock options and free shares[71]

Combined General Meeting held on June 29, 2017

Resolution 26 **Authorization for the Management Board to freely award preferred shares of the Company for the benefit of employees and/or corporate officers of the Company and its subsidiaries, entailing waiver by shareholders of their preferential subscription right**	
Duration of the delegation	38 months, *i.e.* until August 28, 2020 inclusive.
Authorized amount	The total number of convertible preferred shares that may be granted without consideration based on this resolution may not represent more than 3%[72] of the Company's share capital on the date of the Management Board's grant decision. The maximum number of ordinary shares that may be created if these free convertible preferred shares are converted is 2,363,000, or a maximum capital increase of €354,450.
Uses during fiscal year 2018	Delegation unused during the fiscal year 2018. Note: Delegation used in the context of the grant of 34,017 Free Convertible Preferred Shares (Plan 2017-2021), declared by the Management Board on December 15, 2017, giving right at maximum to the grant of 2,109,054 ordinary shares of the Company (see Section 6.2.1 (c) of this Report by the Supervisory Board on the Corporate Governance).

Combined General Meeting held on June 28, 2018

Resolution 23 **Grant of authority to the Management Board for the purpose of granting stock options, through one or more issues, for the benefit of employees and/or corporate officers of the Company and its affiliates, entailing waiver by shareholders of their preferential subscription right**	
Duration of the delegation	38 months, *i.e.* until August 27, 2021 inclusive.
Authorized amount	The maximal total number of stock options to be granted further this resolution shall represent a maximum of shares to be subscribed of 4% of the share capital of the Company at the stock option grant date.
Uses during fiscal year 2018	Delegation unused during the fiscal year 2018.

[71] The maximum amounts indicated in the lines "Authorized amount" do not take into account adjustments to be made, in accordance with applicable legal or regulatory provisions and, if applicable, with contractual provisions providing for other forms of adjustment, in order to preserve the rights of the holders of securities or other rights giving immediate and/or future access to the capital of the Company, or of beneficiaries of stock options or convertible preferred shares, as the case may be.

[72] It being understood that in any case, all Company's convertible preferred shares cannot at any time represent more than 6% of the share capital.

7.8.2. Current authorizations related to share buyback programs and cancellation of shares of the Company

Combined General Meeting held on June 28, 2018

Resolution 12 **Authorization and powers to be given to the Management Board for the purpose of allowing the Company to make transactions on its own shares**	
Duration of the delegation	18 months, *i.e.* until December 27, 2019 inclusive.
Description of the authorization	Authorization to trade in Company shares, pursuant to the provisions of article L. 225-209 of the French Commercial code, articles 241-1 *et seq.* of the general regulations of the French Financial Markets Authority, Regulation (EU) 596/2014 of the European Parliament and Council of April 16, 2014 on market abuse ("**MAR Regulation**") and the EU Delegated Regulation 2016/1052 of March 8, 2016 completing the MAR Regulation, with the possibility of sub-delegation provided for by law. These shares, including preferred shares, may be purchased, sold or transferred on one or more occasions, at any time except in the period from the filing by a third party of a proposed public offering targeting the Company's shares until the end of the offering period, and by any means, especially by trading in the market or off-market, including block transactions, except involving the use of derivatives. The purchase and sale of shares through block trades may account for the entire authorized share buyback program. The Company may: + buyback its own shares up to a maximum of 5% of its share capital existing at the date of such buyback, as adjusted based on corporate actions that might affect the share capital after this resolution, less treasury shares, at a price per share not exceeding €10.0. However, when shares are purchased to promote liquidity under the conditions defined by the French Financial Market Authority's General Regulations, the number of shares to be taken into account for calculating this 5% limit will equal the number of shares purchased minus shares resold during the authorization period; + sell, assign or transfer by any means all or part of the shares thus acquired; + or cancel said shares by reducing the share capital, subject to the adoption of the 14th resolution below and within the limit of 5% of the Company's share capital per 24 month period. In the event of an increase in the capital by capitalizing reserves and a grant of restricted share units, stock splits or reverse stock splits, the prices indicated above will be adjusted by a multiplier equal to the ratio between the number of shares making up the share capital before and after the transaction. The shareholders decide that these share purchases may be made for the purposes provided for by law, or subsequently permitted by law, and notably to: + ensure liquidity or maintain an orderly market in the Company's share through a liquidity agreement that complies with the code of professional conduct acknowledged by the AMF and has been concluded with an investment services provider acting independently; + hold acquired shares and subsequently remit them as payment or in exchange as part of financial transactions (and notably mergers, spin-offs and contributions); + implement and honor obligations, and in particular remit shares pursuant to the exercise of rights attached to securities giving access, by any means, immediately or in the future, to the Company's shares, as well as all hedging transactions resulting from the obligations of the Company relating to these securities, in accordance with the provisions provided for by market authorities and at such times as the Management Board or the person acting on the authority of the latter shall determine; + cancel acquired shares, subject to an Extraordinary General Meeting of shareholders approving the 14th resolution below authorizing the Management Board to reduce the share capital by canceling treasury shares; + cover share option plans reserved for employees or other share allocations according to the conditions set out in articles L. 3332-1 *et seq.* and R. 3332-4 of the French Labor code, or the allocation of Company shares to employees and/or officers of the Company, or companies referred to in article L. 225-197-2 of the French Commercial code, or share allocations as part of employee profit sharing. The maximum amount of funds allocated for this program is set at €15,000,000.
Uses during fiscal year 2018	Delegation used in the fiscal year 2018, in the context of the implementation of the Company's liquidity agreement.

Resolution 14 **Authorization granted to the Management Board to cancel treasury shares**	
Duration of the delegation	18 months, *i.e.* until December 27, 2019 inclusive.
Authorized amount	Authorization to proceed, at its sole discretion, with the reduction, on one or more occasions, of the share capital, within the limit of 10% of the capital, adjusted for corporate actions that could affect the share capital after this decision, per 24 month period, by canceling the shares, including any preferred shares, which the Company holds or might hold by any means, including by purchasing shares through buyback programs authorized by the 12th resolution above, or buyback programs authorized previously or following the date of the Combined General Meeting of June 28, 2018, or by any other means, by charging the difference between the buyback price of the canceled shares and their par value to additional paid-in capital and available reserves.
Uses during fiscal year 2018	Delegation unused during the fiscal year 2018.

7.8.3. Other current delegations[73]

Combined General Meeting held on June 28, 2018

Resolution 15 **Delegation of power granted to the Management Board in order to increase the share capital by issuing ordinary shares or of any securities giving access to the capital while maintaining the preferential subscription right**	
Duration of the delegation	26 months, *i.e.* until August 27, 2020 inclusive.
Authorized amount	Total nominal amount of the share capital increases: €4,500,000. The securities that may be issued pursuant to this delegation may notably consist of debt securities, including securities giving the right to receive debt securities, whether or not governed by articles L. 228-91 *et seq*. of the French Commercial code, or warrants, or may be associated with the issue of such securities, or enable the issue thereof as intermediate securities. Maximal nominal amount of debt securities: €125,000,000. Except subject to prior authorization by the General Meeting, this delegation of authority shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period.
Uses during fiscal year 2018	Delegation unused during the fiscal year 2018.

Resolution 16 **Grant of authority to the Management Board to increase the capital by issuing ordinary shares and all securities conferring rights to the capital, through a public offering, canceling preferential subscription rights though including an option for a priority period**	
Duration of the delegation	26 months, *i.e.* until August 27, 2020 inclusive.
Authorized amount	Total nominal amount of the share capital increases: €4,000,000. The securities that may be issued may notably consist of debt securities, including securities giving the right to receive debt securities, whether or not governed by articles L. 228-91 *et seq*. of the French Commercial code, or warrants, or may be associated with the issue of such securities, or enable the issue thereof as intermediate securities. Maximal nominal amount of debt securities: €125,000,000. The par value of the debt securities that may be issued under this delegation will be credited against the maximum nominal amount of debt securities as set out in the 15th resolution above. Except subject to prior authorization by the General Meeting, this delegation of authority shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period.
Uses during fiscal year 2018	Delegation unused during the fiscal year 2018.

Resolution 17 **Grant of authority to the Management Board to increase the share capital by issuing shares and/or securities giving present and/or future access to the Company's share capital through private placement, with cancellation of preferential subscription rights**	
Duration of the delegation	26 months, *i.e.* until August 27, 2020 inclusive.
Authorized amount	Total amount of the share capital increases: 20% of the share capital of the Company, per year. The securities that may be issued may notably consist of debt securities, including securities giving the right to receive debt securities, whether or not governed by articles L. 228-91 *et seq*. of the French Commercial code, or warrants, or may be associated with the issue of such securities, or enable the issue thereof as intermediate securities. Maximal nominal amount of debt securities: €125,000,000. The par value of the debt securities that may be issued under this delegation will be credited against the maximum nominal amount of debt securities as set out in the 15th resolution above. Except subject to prior authorization by the General Meeting, this delegation of authority shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period.
Uses during fiscal year 2018	Delegation used during the fiscal year 2018 for the issue of 13,333,334 new Valneva SE ordinary shares with a par value of €0.15 each, as part of a fundraising campaign reserved for qualified investors, for a total amount of approximately €50.0 million[74].

[73] The maximum amounts indicated both in the lines "Authorized amount" and in resolution 22 does not take into account adjustments to be made, in accordance with applicable legal or regulatory provisions and, if applicable, with contractual provisions providing for other forms of adjustment, in order to preserve the rights of the holders of securities or other rights giving immediate and/or future access to the capital of the Company.

[74] See Section A.1.2 (a) of the Company's Registration Document 2018.

Resolution 18 **Grant of authority to the Management Board to increase the number of securities to be issued in connection with a share capital increase with or without preferential subscription right, up to the limit of 15% of the initial issue**	
Duration of the delegation	26 months, *i.e.* until August 27, 2020 inclusive.
Authorized amount	Increase in the number of securities to be issued for each issuance carried out pursuant to the 15th, 16th and 17th resolutions above, within thirty (30) days of the closing of the subscription period, up to the limit of 15% of the initial issue and at the same price as that decided for the initial issue. The nominal amount of the share capital increases that may be carried out under this delegation will be credited against the maximum nominal amount set out in the resolution pursuant to which the issue is decided, and against the aggregate nominal capital increase ceiling set under the 22nd resolution. Unless otherwise authorized by the General Meeting beforehand, this delegation of authority shall be suspended as from the date of the filing by a third party of a proposed public offering to acquire the Company's shares and until the end of this offering period.
Uses during fiscal year 2018	Delegation unused during the fiscal year 2018.

Resolution 19 **Grant of authority to the Management Board to increase the share capital through the capitalization of reserves, earnings or premium**	
Duration of the delegation	26 months, *i.e.* until August 27, 2020 inclusive.
Authorized amount	Total nominal amount of the share capital increases: €4,500,000.
Uses during fiscal year 2018	Delegation unused during the fiscal year 2018.

Resolution 20 **Grant of authority to the Management Board in order to implement the issue of Company ordinary shares and/or securities giving immediate and/or later access to the capital of the Company with cancellation of preferential subscription rights, and to set the issue price in accordance with the rules set by the General Meeting up to a limit of 10% of the share capital per year**	
Duration of the delegation	26 months, *i.e.* until August 27, 2020 inclusive.
Authorized amount	Authorization to set the price of an increase of the Company's capital, decided under the preceding 16th and 17th resolutions, by means of the issue of any of the following: + ordinary shares of the Company, and/or + any capital securities of the Company giving access by any means, immediately or in the future, to other existing or future capital securities of the Company or giving the right to receive debt instruments from the Company, and/or + any securities, whether hybrid or not, giving access by any means, immediately or in the future, to capital securities to be issued by the Company, and possibly giving access to existing capital securities and/or giving the right to receive debt instruments from the Company, with suppression of the preferential subscription right by way of a public offering and/or, as the case may be, offering(s) covered by II of article L. 411-2 of the French Monetary and financial code (*Code monétaire et financier*), departing from the price conditions stipulated in the 16th and/or 17th resolutions above under the following conditions: the issue price must not be lower than the weighted average share price on Euronext Paris, calculated over a period of between three (3) and ninety (90) consecutive trading days preceding the setting of the issue and possibly reduced by a maximum of fifteen percent (15%) if the Management Board so decides. Total nominal amount of the share capital increases: 10% of the Company's share capital (this limit being determined on the date of the Combined General Meeting of June 28, 2018), within the limit of the maximum increase in capital provided for under the 16th resolution, or according to the case, the 17th resolution above (and the maximum capital increase provided for by the 22nd resolution below). Except subject to prior authorization by the General Meeting, this delegation of authority shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period.
Uses during fiscal year 2018	Delegation unused during the fiscal year 2018.

Resolution 22 **Maximum aggregate amount of capital increases**	
Authorized amount	The maximum aggregate amount of capital increases that may be carried out, with immediate effect or in the future, under resolutions 15 to 21 of the Combined General Meeting of June 28, 2018, may not exceed €4,500,000.

Resolution 24 **Issue of equity warrants** **(For the benefit of natural persons who are not employees of the Company but are members of the Company's Supervisory Board)**	
Duration of the delegation	18 months, *i.e.* until December 27, 2019 inclusive.
Authorized amount	Authorization for the issuance of 57,500 equity warrants of the Company "BSA 29", each giving right to the grant of 1 new ordinary share of the Company.
Uses during fiscal year 2018	Delegation unused during the fiscal year 2018.

7.9. Agreements executed by Valneva that may be modified or terminated in the event of a change in control of the Company

The loan agreement with the European Investment Bank[75] can be terminated if there is a change of control of the Company, with the obligation of repaying the drawn instalments and paying interest due.

The Collaboration and Manufacturing Agreement signed by the Company's indirect subsidiary "Valneva Sweden AB" with Hookipa Biotech GmbH[76] may be terminated if a competitor of Hookipa Biotech GmbH, defined as a company active in the field of viral vector technologies in oncology or against CMV, HIV or HBV, takes control of the Company.

Further, the Group has signed various agreements for distribution of third party products by Valneva, in particular:

- agreements relating to the distribution of PaxVax' (now Emergent BioSolutions Inc.) vaccine VIVOTIF® (against typhoid fever), in Canada, Nordics countries (Sweden, Norway, Finland, Denmark), Iceland and Austria; and
- an agreement relating to the distribution of Seqirus' flu vaccines (FLUAD™, SANDOVAC™/AGRIPPAL™) in Austria.

The agreements entered into with PaxVax (now Emergent BioSolutions Inc.) or Seqirus can also be terminated if there is a change in control of the Company.

Lastly, the agreements relating to the distribution of Valneva's products (IXIARO®/DUKORAL®) generally cannot be terminated by distributors in case of a change in control of Valneva SE, with the exception of the agreements with Seqirus (IXIARO® in Australia et New Zealand), PaxVax - now Emergent BioSolutions Inc. - (DUKORAL® in Italy, Spain and Portugal) and GSK (IXIARO® in France and Germany, DUKORAL® in Germany).

7.10. Agreements providing for indemnities to Management Board members or employees in the event of resignation, dismissal without just and sufficient cause, or termination of employment resulting from a public offering

There is no agreement providing for the payment of indemnities to employees in the event of resignation, dismissal without just and sufficient cause, or termination of employment resulting from a public offering.

With respect to indemnities or benefits due to the corporate officers in case of appointment, termination or change of their duties, please refer to the Section "Remuneration granted to the Management Board" of this Report by the Supervisory Board on the Corporate Governance[77].

8. SPECIAL PROCEDURES FOR THE PARTICIPATION OF SHAREHOLDERS IN GENERAL MEETINGS

Procedures concerning the participation of shareholders in General Meetings are described in article 27 of the Company's Articles of Association, which can be consulted on Valneva' website: www.valneva.com. A hardcopy can also be requested at the following address: Valneva SE, 6 rue Alain Bombard, 44800 Saint-Herblain (France), or by email: investors@valneva.com.

[75] See Note 5.24.2 to the Group's consolidated financial statements, in Section D.1 of the Company's Registration Document for the fiscal year 2018.

[76] See Section A.1.2 (f) of the Company's Registration Document 2018.

[77] See Section 6.2.1 (d) of this Report by the Supervisory Board on the Corporate Governance.

9. TABLE OF MIDDLENEXT RECOMMENDATIONS NOT FULLY IMPLEMENTED

Recommendations	Divergence	Reasons
No. 4	The Rules of procedure do not specify the practical procedures for providing information to the Supervisory Board members.	The Rules of procedure provide that it is incumbent on each Supervisory Board member to make sure they received the necessary information in a timely manner.
No. 9	The renewal of terms of office is not staggered (there are 8 members out of 10 whose term of office will be expiring at the same time).	Upon the creation of Valneva SE (through Vivalis SA - Intercell AG merger in 2013), short terms of office (set at 3 years) were considered to be adapted to the nature of the Company's business, and an identical term length was considered necessary to maintaining the post-acquisition balance of powers on the Supervisory Board. Those two members who joined the Supervisory Board in June 2017 also have a 3-year term of office, but this will expire one year after expiration of the other members' term of office.
No. 10	The payment of attendance fees is not linked to the level of attendance.	The Company puts a lot of effort into preparing a meeting schedule and distributing adequate documentation before each meeting. If a Supervisory Board member cannot attend a meeting, he/she discusses the meeting topics with his/her proxy before the meeting. In the absence of a proxy, the member generally provides his/her comments to the other members prior to the Board meeting.
No. 16	In certain cases, notably in the case of a dismissal without just cause more than two years after the end of the term of office, the severance benefits may exceed two years of remuneration.	The severance benefit is derived from Austrian legal provisions and comparable to a penalty clause to the extent it is contingent on the reasons for the dismissal and the time of its occurrence. Accordingly, no severance payment is payable in the case of premature termination for cause or non-renewal at the end of the office's term (June 2022).
No. 18	The exercise of stock options and the definitive grant of free convertible preferred shares are not subject to performance criteria.	Stock options, which are no longer currently granted to corporate officers, represented a means to partially offset an amount of compensation lower than that paid by most of Valneva's competitors. Concerning free convertible preferred shares, the deviation is in appearance only. In fact, it is the conversion of the shares and not their final grant which creates the benefit for the manager. However, this conversion is subject to very demanding conditions regarding the price of the Valneva SE share.

10. OBSERVATIONS OF THE SUPERVISORY BOARD ON THE ANNUAL MANAGEMENT REPORT AND THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR 2018

In accordance with article L. 225-68 of the French Commercial code, we hereby present you our observations on the statutory and consolidated financial statements approved by the Management Board, as well as on the management reports submitted to the General Meeting of shareholders.

We inform you that the financial and consolidated statements for the year ended December 31, 2018, as well as the management reports, were submitted to the Supervisory Board in a timely manner with regard to legal and regulatory provisions.

The statutory financial statements for the year ended December 31, 2018 (French GAAP) show the following main items:

- Balance sheet: €240,139 thousand
- Revenues: €2,144 thousand
- Operating loss: €19,230 thousand
- Net loss: €16,847 thousand

The consolidated financial statements for the year ended December 31, 2018 (IFRS) show the following main items:

- Balance sheet: €229,907 thousand
- Revenues: €113,035 thousand
- Operating profit: €6,262 thousand
- Net profit: €3,264 thousand

The members of the Supervisory Board, after having heard the management reports and having proceeded to a review of the statutory and consolidated financial statements, have no particular comment to make, whether concerning the Management Board reports or concerning the statutory and consolidated financial statements for the year ended December 31, 2018.

The members of the Supervisory Board also ask you to approve the agreements referred to in article L. 225-86 of the French Commercial code, duly authorized by your Supervisory Board. Your Joint Statutory Auditors were informed of these agreements. They present them to you and read you their special report.