

VALNEVA SE

**A European company with a Management Board and a Supervisory Board
with a share capital of 13,642,040.55 €
Registered office: 6 rue Alain Bombard – 44800 Saint Herblain
Identification N° 422 497 560 RCS Nantes**

INTERNAL RULES OF THE SUPERVISORY BOARD

PREAMBLE

These internal rules (the **Internal Rules**) are intended to clarify the terms of the operating procedures of the supervisory board (the **Board**) of Valneva SE (the **Company**), in addition to legal and regulatory provisions and the Company's Articles of association (the **Articles of Association**).

These Internal Rules apply to each member of the Board (a **Member**), to each permanent representative of a Member (a **Permanent Representative**) and, more generally, to any person occasionally or permanently participating in or attending Board meetings (the **Attendees**).

The current version of these Internal Rules was adopted during the meeting of the Board which took place on June 17, 2020.

OBLIGATIONS OF THE MEMBERS

Article 1. Administration and corporate interest

Each Member must be guided by the corporate interest of the Company.

Article 2. Compliance with laws and Articles of Association

Each Member and Attendee shall be fully conversant with his or her rights and obligations. He or she shall comply and be familiar with the legal and regulatory provisions related to his or her duties, as well as with the Articles of Association and these Internal Rules.

Article 3. Performance of duties: guidelines

Each Member shall perform his or her duties independently, loyally, ethically and professionally.

Article 4. Composition of the Board

The composition of the Board shall be governed by the Articles of Association.

Article 5. Independence and duty to speak

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

Each Member shall disclose to the 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 Member shall express his or her questions or opinions to ensure that the Company's corporate interest is pursued at any time and shall do his or her best effort to convince other Members in order to ensure that such interest is pursued. In the event there is a disagreement between the Members during a meeting of the Board, the dissenting Member may request that his or her position be recorded in the minutes of the meeting.

Article 6. Independence and conflict of interest

Each Member shall do his or her best effort to avoid any conflict arising between his or her interests and the Company's corporate interest. He or she shall inform the 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 Board shall review the conflicts of interests and potential conflicts of interests of which it has been informed.

Article 7. Loyalty and good faith

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

Article 8. Confidentiality

In accordance with article L. 225-92 of the French Commercial Code, each Member and Attendee shall be bound by professional secrecy with respect to discussions, deliberations and consultations of the Board and committees of the Board (the **Committees**), as well as any information he or she may receive in the course of his or her duties.

Each Member or Attendee shall be bound not to disclose any such information outside the Board.

Article 9. Insider policy

Each Member or Attendee shall comply with the Company's insider policy.

Article 10. Diligence

By accepting his or her office as Member, each Member undertakes to devote the necessary time, care and attention to his or her duties, in accordance with applicable laws and regulations. Unless genuinely unable to do so, each Member shall attend all meetings of the Board and the Committees he or she belongs to and shall participate in all written consultation processes.

Each Member shall resign from his or office as Member in the event he or she considers not to be in a position to carry out his or her duties in accordance with the applicable laws and regulations and/or these Internal Rules.

Article 11. Professionalism, self-evaluation and protection

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

Each Member shall have a duty to ensure that the deliberations and decisions of the Board are made in the Company's corporate interest and recorded in meeting minutes or written decisions.

Each Member shall ensure that all information required in relation to the items to be discussed during Board meetings or to be decided by written consultation of the Board is obtained in time.

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

The Chairman of the Board shall make sure that the potential liability of Board members is adequately insured and shall inform the Board members of this coverage.

MODE OF OPERATION OF THE BOARD

Article 12. Board operating procedures, missions and powers

The Board operating procedures, missions and powers are described in Articles 18 and 19 of the Articles of Association.

Article 13. Quorum and majority for meetings of the Board

The quorum for meetings of the Board shall be as required by article 18.2 of the Company's Articles of Association.

If a convened meeting cannot be held because of a lack of quorum, a minimum period of 5 (five) business days will be required before a second meeting takes place for the same purpose.

The majority for the decisions of the Board shall be as required by Articles 18 and 19 of the Company's Articles of Association.

Article 14. Participation by means of videoconference or telecommunications

Board meetings may be held by any means of videoconference or telecommunications allowing the identification of the Member, deemed present for the calculation of a quorum and a majority, and ensuring their effective participation, except with respect to Board meetings called to deliberate on:

- the verification or audit of annual financial statements and, as appropriate, consolidated financial statements;
- the verification and audit of the management report by the Management Board of the Company (the **Management Board**);
- the appointment of the members of the Management Board; and
- the appointment of the Chairman or the Deputy Chairman of the Board and determination of their remuneration.

Every Member who participates in a Board meeting by means of videoconference or telecommunications undertakes to obtain prior approval from the Chairman of the Board for all those persons in his environment who may hear or see the discussions conducted by the Board.

The Board meeting attendance register must be signed by the Members taking part in in-person meetings. In the case of videoconference or other telecommunications methods, the register must specify which method is used.

In the minutes of each meeting, statements of the number of Members in office, their presence, including, where appropriate, by authorised videoconference, tele-transmission or telecommunications or their representation, shall be sufficient proof thereof in relation to third parties.

The minutes shall also specify the occurrence of any technical incident if that incident disrupted the meeting.

Article 15. Decisions by written consultation

The following decisions of the Board may be adopted by way of written consultation:

- following delegation of powers granted by the general meetings of shareholders, amendments to the Company's Articles of Association in order to comply with laws and regulations, subject to the ratification of these amendments by the next general meeting of shareholders;
- prior authorization of the transactions referred to in Article 19 of the Articles of Association;
- prior authorization of security interests, endorsements and guarantees;
- convening a general meeting of shareholders to appoint Members if the number of Members falls short of the minimum required by applicable laws and regulations;
- temporary appointment of Members in the event of a vacancy due to the death or resignation of one or more Members, between two general meetings of shareholders;
- appointment of Members if the number of Members falls short of the minimum required by the Articles of Association but meets the minimum required by applicable laws and regulations;
- temporary appointment of Members if the composition of the Board no longer complies with the provisions of the first paragraph of Article L. 225-69-1 of the French Commercial Code;
- convening general or special meetings of shareholders; and
- changing the registered office of the Company within the same district (*département*).

The Members must provide answers to any written consultation within the period of time specified mentioned in the consultation documentation.

In order for a written consultation to be valid, a number of Members representing the quorum for meetings of the Board as required by article 18.2 of the Company's Articles of Association must participate in the relevant written consultation. The majority for the decisions of the Board adopted through written consultation shall be as required by Articles 18 and 19 of the Company's Articles of Association.

The minutes of the decisions of the Board approved by way of written consultation must specify that the decisions were approved by way of written consultation.

The Members undertake to take all necessary steps in order to ensure the confidentiality of the documentation provided to them in the context of a written consultation.

Article 16. Minutes of Board meetings and Board decisions

Board proceedings shall be recorded in minutes typewritten in English, numbered according to the date of the proceedings to which they relate and paginated without interruption. They shall reflect, as the case may be, the debates and opinions expressed, resolutions put to the vote and the result of those votes.

Minutes shall be submitted to the Board no later than upon transmission of the agenda for the following Board meeting or decisions.

The Chairman of the meeting shall submit the minutes of the previous Board meeting(s) or decisions for approval.

The original copy, following approval of the minutes, shall be initialled and signed by the Chairman of the Board or, failing that, by the Chairman of the meeting at which such approval was given and by a member of the Board.

Each member may obtain, upon request, a copy of the minutes of the Board's previous meetings or decisions.

Extracts from the minutes to be produced in court or elsewhere shall be certified by the Chairman of the Board or the Vice-Chairman of the Board.

COMMITTEES

Article 17. Committees – common provisions

The Board may decide to set up within itself Committees, to facilitate the proper operation of the Board and to contribute effectively in the preparation of its decisions.

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

Committees shall perform their duties under the responsibility of the Board. No Committee may deal, on its own initiative, with issues which extend beyond the specific context of its mission. Committees shall have no power to take decisions.

Committees may also be established whose composition, functions and operating procedures are described in Article 18 to Article 20 below.

A committee may be convened by any means, including verbally, at the initiative of its Chairman who shall set the agenda, or any other member of the Committee in the absence of a call by its Chairman upon the request of a member thereof. Committees must be convened at least seven (7) calendar days before the meeting of the Committee (except in the event of an emergency requiring a shorter notice period; in which case a shorter period of notice shall be given to Committee members to enable them to attend the meeting).

Committee members shall be provided with relevant supporting documentation at least five (5) calendar days before the meeting of the Committee (except in the event of an emergency, provided that Committee members are given enough time to enable them to be fully aware of such documentation).

Committees meetings may be held via videoconference or telecommunications as stipulated in Article 14 above or may be consulted by way of written consultation as stipulated in Article 15.

To fulfil their mission, Committee members may invite and be assisted by persons of their choice, including employees of the Company and Management Board members. They shall be entitled in this respect to request that the Management Board hires experts of their choice, the fees of which shall be fully borne by the Company, up to a maximum to be set annually by the Board.

Committees may obtain any internal document and information it requires to function properly by requesting it through the Board secretary.

All members of a Committee are subject to a duty of confidentiality in respect of the information they receive.

The term of office of Committee members shall coincide with their term of office as Members, provided that the Board and/or the Committee member shall be entitled to terminate the office of the latter at any time without such termination resulting in a termination of his or her Board membership.

On presentation of supporting documentation, Committee members are entitled to reimbursement of expenses reasonably incurred to fulfil their functions in accordance with the Company's expenses reimbursement policy and procedures.

Committee meetings shall be recorded in minutes. These minutes shall be made available to members of the same Committee and to the other members of the Board. The Chairman of the Committee or the member appointed for that purpose shall draw up a report to the Board on the work of the Committee.

Article 18. Nomination and compensation Committee

Article 18.1. Composition and operation

The nomination and compensation Committee shall be composed of at least three (3) Members or their permanent representatives appointed by the Board.

The composition of the Committee shall reflect the composition of the Board.

The Committee shall be chaired by one Member designated by the Board or, in the absence of its Chairman, by the oldest Committee member.

The Committee shall meet as often as the interests of the Company require, and at least two (2) times per year.

Article 18.2. Quorum and majority

Decisions of the Committee shall be valid if taken by a simple majority of votes cast at the meeting with no casting vote for the Chairman in the event of a tie. Such decisions shall be validly adopted only if at least half the members are present or represented or are deemed to be present.

Article 18.3. Missions

The Committee shall issue proposals to the Board on all aspects of managers' appointment and remuneration.

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

As part of its missions, the Committee shall have 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 the Members and Chairman of the Board, of members and Chairman of the Committees and of members and Chairman of the Management Board, and to issue recommendations on the candidates considered, in terms of expertise, availability, appropriateness and complementarity with other Members and Management Board members;
- be in a position at any time to formulate proposals on potential successors to the Chairman of the Management Board or to the Chairman of the Board; and
- issue recommendations, upon Management Board request, on the acceptance of and resignation by the Company from any office as member of the board of directors or any equivalent body of another company and on the appointment and 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 corporate officer's performance and with the Company's strategy, and verify that these rules are applied properly;
- make recommendations to the Board relating to the overall amount of Members' attendance fees to be proposed to the general meeting of shareholders and on the allocation of these attendance fees between Members;
- examine the Management Board's policy and projects with respect to rights issues reserved to employees; and
- assist the Board in the drafting of sections of the annual report that fall within its scope.

Article 19. Audit and governance Committee

Article 19.1. Composition and operation

The audit and governance Committee shall be composed of at least three (3) Members or their permanent representatives appointed by the Board.

The composition of the Committee shall reflect the composition of the Board.

The Committee shall be chaired by one Member designated by the Board or, in the absence of its Chairman, by the oldest Committee member.

The Committee shall meet as often as the interests of the Company require, and at least two (2) times per year.

Article 19.2. Quorum and majority

Decisions of the Committee shall be valid if taken by a simple majority of votes cast at the meeting, with no casting vote for the Chairman in the event of a tie. Such decisions shall be validly adopted only if at least half the members are present or represented or are deemed to be present.

Article 19.3. Missions

The Committee shall deal with questions of accounting and audit and 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 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 purpose, the Committee shall have the following specific responsibilities:

- review, audit and monitor the implementation of and issue recommendations on the following items:
 - o scope of consolidation, accounting methods and audit procedures;
 - o quarterly, half-yearly and annual financial statements, and in particular provisions, material risks and off-balance sheet commitments;
 - o accounting positions relating to material transactions;
 - o proposed adoptions of material changes to accounting methods;
 - o Company's financial position;
 - o review by the statutory auditors of the quarterly, half year and annual Company and consolidated financial statements; and
 - o procedures for preparing accurate financial information provided to shareholders and to the market and Company press releases relating to accounting and financial information;
- oversight of the statutory auditors and monitoring of the independence of the statutory auditors:
 - o steering of the selection procedure applicable to the statutory auditors;

- submission of recommendations to the Board on the Management Board's proposals to the general meeting of shareholders 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;
 - ensuring that the statutory auditors comply with the rules governing their independence;
 - approval of services other than the certification of financial statements by the statutory auditors, after the Committee has analysed the threats to the auditors' independence and the safeguards applied to mitigate those threats; and
 - oversight of the performance of the statutory auditors' mission, considering the findings and conclusions issued by the *Haut Conseil du Commissariat aux Comptes*, if any, in case of inspection.
- 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 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 shall meet prior to any Board meeting called to deliberate on the review or approval of the financial statements, the financial 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's risk exposure and significant off-balance sheet commitments.

The Committee shall regularly report to the Board on the exercise of its duties and immediately inform the Board of any issues encountered. The Committee shall also report to the Board on the results of its financial statement certification work, the way such work contributed to the integrity of the financial information and the role it played in this process.

Article 20. Strategy Committee

Article 20.1. Composition and operation

The strategy Committee shall be composed of at least three (3) Members or their permanent representatives appointed by the Board.

The composition of the Committee shall reflect the composition of the Board.

The Committee shall be chaired by one Member designated by the Board or, in the absence of its Chairman, by the oldest Committee member.

The Committee shall meet as often as the interests of the Company require, and at least two (2) times per year.

Article 20.2. Quorum and majority

Decisions of the Committee shall be valid if taken by a simple majority of votes cast at the meeting, with no casting vote for the Chairman in the event of a tie. Such decisions shall be validly adopted only if at least half the members are present or represented or are deemed to be present.

Article 20.3. Missions

The Committee shall:

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

Article 21. Entry into force and binding effect

These Internal Rules came into force on the day they were adopted by a majority vote of Members. The current version was adopted by the Board during its meeting dated June 17, 2020.

Any amendment to these Internal Rules shall be voted by the Board under the same conditions and come into force on the day of the Board meeting deciding such amendments.

These Internal Rules shall be legally binding for all Members and Permanent Representatives, as well as for any Attendee.