



VALNEVA

A European company (*Societas Europaea* or SE) with a Board of Directors

Share capital : €20,891,535.15

Registered office : 6 rue Alain Bombard, 44800 Saint-Herblain (France)

Nantes Companies Register (RCS) No. 422 497 560

**APPROVAL BY THE COMBINED GENERAL MEETING OF JUNE 26, 2024
OF THE CORPORATE OFFICERS COMPENSATION POLICIES
(pursuant to Article R. 22-10-14 of the French Commercial Code)**

The Combined General Meeting of June 26, 2024 approved the compensation policies for the corporate officers, through its ordinary resolutions 11 to 17.

The results of the votes on these resolutions are as follows:

Resolution		Number of vote cast				Number of vote not cast (Abstentions, blank vote, void)	Result
		For	%	Against	%		
11	Approval of the compensation policy applicable to Mr. Thomas Lingelbach, CEO, for the fiscal year 2024	28 218 936	66,70 %	14 089 673	33,30 %	17 328 944	Adopted
12	Approval of the compensation policy applicable to Mr. Franck Grimaud, Associate Managing Officer, for the fiscal year 2024	28 208 300	66,67%	14 103 508	33,33%	17 325 745	Adopted
13	Approval of the compensation policy applicable to Mr. Frédéric Jacotot, Associate Managing Officer, for the fiscal year 2024	27 780 496	66,34%	14 095 522	33,66%	17 761 535	Adopted
14	Approval of the compensation policy applicable to Mr. Juan Carlos Jaramillo, Associate Managing Officer, for the fiscal year 2024	28 209 261	66,68%	14 097 375	33,32%	17 330 917	Adopted



15	Approval of the compensation policy applicable to Mr. Peter Bühler, Associate Managing Officer, for the fiscal year 2024	28 211 842	66,68%	14 095 462	33,32%	17 330 249	Adopted
16	Approval of the compensation policy applicable to Ms. Dipal Patel, Associate Managing Officer, for the fiscal year 2024	28 215 023	66,69%	14 091 821	33,31 %	17 330 709	Adopted
17	Approval of the compensation policy applicable to the members of the Board of Directors for the fiscal year 2024	54 596 381	91,65%	4 972 266	8,35%	68 906	Adopted



COMBINED GENERAL MEETING JUNE 26, 2024

Compensation policy for corporate officers

**Translated excerpt
from the Company's 2023 Universal Registration Document**

This excerpt is a free translation, into English, of Section 2.6.1 of the Company's 2023 Universal Registration Document. The Company's 2023 Universal Registration Document is available in its entirety in the French language at the following address: <https://valneva.com/investors/financial-reports/>.

In case of discrepancy between the French and the English version, the French version shall prevail.

2.6 Compensation of the corporate officers – Shareholding

2.6.1 Compensation policy for the fiscal year 2024

The Company complies with Middlednext Recommendation No. 16 on the definition, structure and transparency of compensation of corporate officers. The Company sets out the principles of its compensation policy below. These were determined by the Board of Directors on the proposal of the Nomination, Compensation and Governance Committee. The management of potential conflicts of interest is based on Article 3 of the Internal Rules of the Board of Directors and on Recommendation No. 2 of the Middlednext Code.

The Nomination, Compensation and Governance Committee and the Board ensure that the compensation policy is in the corporate interest, is relevant to the Company's commercial strategy and contributes to the Company's long-term development, notably through the officer's goals and objectives and the associated variable compensation. Long-term incentive programs facilitate management stability, thus contributing to the Company's sustainability. The Board's Nomination, Compensation and Governance Committee verifies the consistency of the corporate officers' compensation with that of the other members of the Executive Committee, and the Human Resources department verifies the consistency of the compensation of the Executive Committee members with that of other senior managers. However, the compensation of the corporate officers is not determined on the same basis as that of employees.

2.6.1.1 Compensation policy applicable to CEO and Associate Managing Officers

The principles set out below in connection with the compensation of the CEO (*Directeur Général*) and Associate Managing Officers (AMOs, *Directeurs Généraux Délégués*) in 2024 may apply to any new CEO or AMO possibly appointed in the future.

The CEO and AMOs have entered into Management Agreements with the Company or its subsidiaries, for the duration of their term of office, and for which the applicable notice period, in case of early termination, is six months with effect at the end of a month.

The terms of office of the Management Board members, as well as the conditions of termination of their Management Agreement(s), including termination or non-compete indemnities, are described in the Section "Indemnities or benefits granted to the corporate officers in case of appointment, termination or change of duties" of this URD⁽¹⁾.

Fixed, variable and special compensation

	CEO	AMOs ^(*)
Fixed compensation	<ul style="list-style-type: none"> Gross annual compensation of approximately €500,000 to €600,000. Fixed compensation based on an assessment of the market, the individual performance of the officer and his or her responsibilities (Recommendation No. 16 of the MiddleNext Code). When the CEO's compensation does not undergo market revaluation, it may be adjusted annually on a basis approximately equivalent to the one used to adjust the salaries of the Group's employees in each country. 	<ul style="list-style-type: none"> Gross annual compensation of approximately €220,000 to €450,000. Fixed compensation based on an assessment of the market, the individual performance of the officer and his or her responsibilities (Recommendation No. 16 of the MiddleNext Code). When the AMOs' compensation is not subject to a market reassessment, it may be adjusted annually on a basis approximately equivalent to that used to adjust the salaries of the Group's employees in each country.
Annual variable compensation	<p>Maximum goal-related bonus equal to 75% of gross annual base salary.</p> <ul style="list-style-type: none"> See below the paragraph "Variable or exceptional compensation rules". 	<p>Maximum goal-related bonus equal to 50% of gross annual base salary.</p> <ul style="list-style-type: none"> See below the paragraph "Variable or exceptional compensation rules".
Multi-year variable compensation	The CEO and AMOs do not have any multi-year variable compensation.	

⁽¹⁾ See Section 2.6.2.1 (d).

	CEO	AMOs ^(*)
Free share grants and stock options	<p>The Company implements programs to allocate free ordinary shares or stock options intended to retain the Company's senior executives over the long term. The CEO and AMOs benefit from these programs.</p> <p>For a description of the plans in force: see section 2.6.2.1(c) of the 2022 URD.</p> <p>Per Company practice since 2022, the Company may annually grant corporate officers free shares and stock options (in the proportions of 30% and 70% respectively) representing, on the initial grant date, a fixed value (the Incentive Value) set by the Board for each officer, depending on his/her duties, based on a comparative European study. To calculate the number of free shares and options to be granted, the average closing price on EuroNext Paris during the 20 trading days immediately preceding the initial grant is taken into account (Reference Price), and the value of each option is determined annually by the Board, according to the Black-Scholes model.</p> <p>Example: for a Reference Price of €7.5 and an option value of 50% of the share value, an incentive value of €480,000 will result in the allocation of 19,200 free shares and 89,600 stock options.</p> <p>Two thirds of the free shares will be vested two years after the initial grant, the last third being vested three years after the initial grant. The stock options are divided into three equal tranches (subject to rounding) and exercisable one year after the grant for tranche 1, two years after the grant for tranche 2 and three years after the grant for tranche 3. The exercise price of the stock options will be at least 100% of the Reference Price. The vesting of free shares and the exercise of stock options are subject to an employment condition but will not be subject to performance conditions (notwithstanding Recommendation 21 of the MiddleNext Code), the Board considering that the high proportion of stock options constitutes an indirect performance condition (via the Reference Price).</p> <p>Free share and stock option plans contribute to the objective of recognizing the Company's value on the markets by involving the corporate officers in improving this value recognition. These plans do not include any lock-up period.</p> <p>In addition, as part of the recruitment of future corporate officers, the Company may be required, in order to be competitive on the market, to grant free shares or stock options as part of the terms and conditions governing the arrival of these officers. The value of these grants is lower than the Incentive Value mentioned above. These free shares have a vesting period of two years, subject to continued employment but without performance condition.</p>	
Exceptional compensation	See sub-paragraphs "Exceptional compensation in the event of a change of control" in the paragraph "Variable or exceptional compensation rules" below.	
Inventor compensation	Those executive corporate officers who in the course of their duties are named as inventors in a patent or patent application filed by the Company or its subsidiaries are entitled to receive special inventor compensation equal to not less than one sixth of their annual base salary.	
Board fees	Currently, Valneva SE does not grant Board fees to the CEO in connection with his Board membership.	
BENEFITS:		
Retirement savings	<p>A long-term life insurance policy as a retirement savings product has been taken out by Valneva Austria GmbH, a subsidiary of Valneva SE, for Mr. Thomas Lingelbach, Mr. Juan Carlos Jaramillo and Mr. Peter Bühler (and will also be taken out for any new corporate officer who will have a Management Agreement with Valneva Austria GmbH), in line with normal practice in Austria.</p> <p>Policy terms: the savings are released when the beneficiary reaches the retirement age in Austria (currently 65) or on his/her death if occurring before reaching this age. The cost of the policy (approximately €1,500 per month or €18,000 per year) is incurred by the subsidiary Valneva Austria GmbH.</p> <p>Valneva UK Ltd contributes 7.5% of Ms. Patel's fixed compensation to a British pension fund.</p>	
Unemployment insurance	<p>The Company has taken out an unemployment insurance policy (Garantie Sociale des Chefs et Dirigeants d'Entreprises or GSC) for the corporate officers contractually attached to Valneva SE and having their tax residence in France, in accordance with normal market practice in France.</p> <p>The purpose of this insurance 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 €12,000 to €15,000 per year and per person) is paid by Valneva SE.</p> <p> Holders of a Management Agreement with Valneva Austria GmbH or Valneva UK Ltd benefit from contractual unemployment benefits under the same legal and financial conditions as GSC insurance, less local unemployment insurance.</p>	
Car rental	<p>Each corporate officer is provided with a vehicle. The maximum leasing fee is €1,500 per month or €18,000 for the year for each corporate officer. The leasing of a car can be replaced with a "car allowance" of the same amount, paid to the corporate officer.</p> <p>Car insurance and other car-related expenses are incurred by the Company or by the subsidiary to which the officer is contractually linked.</p>	

	CEO	AMOs ^(*)
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 reimburse corporate officers for the cost of weekend trips 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 corporate officers who are tax residents of a country other than France and Austria, the Company or its subsidiaries bear charges for local pension plans and assistance from tax advisors. Tax assistance is also provided in the event of relocation.
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, relocation expenses, etc.) may be granted to corporate officers by the Company or its subsidiary to which the officer is contractually linked.

(*) Currently Mr. Grimaud, Mr. Jacotot, Mr. Jaramillo, Mr. Bühler and Ms. Patel.

Variable or exceptional compensation rules

The **Bonus** represents the variable part of the CEO's and AMOs' annual compensation. The process applicable to the Bonus complies with best practices in terms of performance management. The main steps in this process are as follows:

- the CEO and AMOs receive goals for a new business year from the Board;
- these goals are set according to the recommendations of the Nomination, Compensation and Governance Committee;
- the goals are linked to key strategic and operational objectives necessary to develop the Company according to its published strategy and financial guidance;
- the goals are SMART (Specific, Measurable, Achievable and Ambitious, Realistic, Time-bound);
- performance against agreed goals is reviewed throughout each business year;
- the goals may be adjusted during the year in case of major changes in the business' environment or priorities;
- performance against the agreed goals is assessed upon completion of a business year (the **Appraisal**);
- Bonus pay-out is linked to the Appraisal and based on the individual Target Bonus. The **Target Bonus** is the Bonus assuming a 100% Appraisal;
- the Appraisal is made by the Board upon the recommendation of the Nomination, Governance and Compensation Committee.

The Target Bonus may represent up to 50% (AMOs) or 75% (CEO) of the yearly base salary. The achievement of one or more specific targets may exceed 100% but the assessment of the total of the objectives remains limited to 100%.

A majority of the goals are of a quantitative nature and split between operational and strategic objectives.

For the 2023 financial year (Bonus payable in 2024), the Supervisory Board decided to reintroduce individual objectives (for 15% of the total) in addition to the

collective objectives (85% of the total). The collective objectives for 2023 are broken down into the following areas: commercial and financial performance (20%), progress of R&D programs (25%), preparation for the Company's growth (financing, portfolio of product candidates) (25%), regulatory compliance (SOX, quality assurance objectives) (10%), HR strategy (5%). Individual objectives are linked to the functional responsibilities of each officer or, for the CEO, to the strategic plans and organization of the Company.

On February 23, 2024, the Board set the achievement of the collective 2023 objectives of the former Management Board at 69% and set the achievement of the individual 2023 objectives as follows: CEO 100%, CFO 67%, CBO 45%, CMO 87%, CCO 67%, GC 37%. Consequently, the Board determined the following Bonuses:

- Thomas Lingelbach, CEO: EUR 240,093;
- Franck Grimaud, CBO: EUR 92,056.25
- Peter Bühler, CFO: EUR 135,033
- Juan Carlos Jaramillo, CMO: EUR 117,543.60
- Dipal Patel, CCO: GBP 105,225
- Frédéric Jacotot, General Counsel: EUR 70,864

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For 2024, the Board has set collective and individual objectives for the CEO and the Executive Committee members (including the AMOs). The collective objectives for 2024 are broken down into the following areas: commercial and financial performance (30%), progress of R&D programs (25%), Company's future growth (R&D portfolio, stock price, chikungunya commercial expansion) (30%), business compliance (SOX, quality, and Environment, Health and Safety) (5%), ESG and sustainability (5%), organizational development (5%). Individual objectives are linked to the functional responsibilities of each officer or, for the CEO, to strategic opportunities and the organization of the Company. For purposes of the 2024 appraisals, the respective shares of collective and individual objectives will be 90/10 for the CEO and 70/30 for the other Executive Committee members (including the AMOs).

Inventor compensation

After review of inventor contributions in accordance with the Company's procedures, Mr. Thomas Lingelbach was named as joint inventor of a patent relating to the VLA15 vaccine candidate, filed in 2022, and Mr. Juan Carlos Jaramillo was named as joint inventor of a patent relating to the VLA1553 vaccine (IXCHIQ), filed in 2023. Consequently, in accordance with the provisions of the relevant Management Agreements, each of them will receive a flat gross amount equal to one-sixth of his base salary for the year when the relevant patent application was filed, *i.e.* EUR 87,500 for Mr. Lingelbach and EUR 54,418 for Mr. Jaramillo. This special inventor compensation is exclusive of any future royalty.

Exceptional compensation in the event of a change of control

In the event of a change of control of the Company after the initial grant of the free ordinary shares allocated under the 2022-2025 Free Share Plan or the 2023-2026 Free Share Plan and before the vesting of the two first tranches of these plans, the Company or its subsidiaries will pay the corporate officers an indemnity representing the value of these shares at the time of the change of control. The Company may grant a similar indemnity under any subsequent free share plan.

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The payment of Bonuses (and, as the case may be, of the exceptional remuneration in the event of a change of control) in respect of the fiscal years 2023 and 2024, which constitute elements of variable and exceptional compensation, will be subject to the approval, by the Company's Ordinary General Meeting called to approve the financial statements for the fiscal year in question, of the elements of compensation of the person concerned, under the conditions provided for in Article L.22-10-34, of the French Commercial Code.

Compensation or benefits due to corporate officers on starting, stopping or changing their duties

Certain financial benefits are granted to corporate officers in certain scenarios involving the termination or change of duties.

These benefits and their conditions are described in the Section "Indemnities or benefits granted to the corporate officers in case of appointment, termination or change of duties" of this URD⁽²⁾.

Recommendation No. 19 of the Middledenext Code provides guidelines for severance payments for executives. This recommendation is complied with.

Clawback policy

The Company's Board of Directors has adopted a "clawback policy" by which the Company will, within a reasonable period and subject to applicable law, recoup the variable compensation (in cash or shares) paid or granted to (or otherwise acquired by) corporate officers in the three years immediately preceding a decision to restate previously issued financial statements, to the extent that such variable compensation should not have been paid, acquired or granted if the restatement had been taken into account. "Restatement" means an accounting restatement that the Company is required to prepare due to the material noncompliance of the Company with any financial reporting requirement under the U.S. securities laws.

⁽²⁾ See Section 2.6.2.1(d).

2.6.1.2 Compensation policy applicable to the members of the Board of Directors

The principles set out below in connection with the compensation of the Board members for 2024 may apply to any new member of the Board of Directors possibly appointed in the future (including the Chair of the Board).

The terms of office of Board members are specified in section "Board of Directors" of this URD⁽³⁾. The amounts of compensation paid or granted to Board members in 2023 are presented in section "Compensation paid or granted to the non-executive corporate officers" of this URD⁽⁴⁾.

Compensation granted to the Board members

The Company grants compensation to all members of the Board in consideration of their office.

The compensation for activity includes a base compensation (made up of basic fees and supplements depending on the role on the Board, except for the Chair) and an additional compensation.

Annual base compensation:

- **Chair of the Board:** €90,000 per year;
- **Other Board members:** €45,000 per year as basic fees, plus the supplements listed below, as the case may be:
- **Vice-Chair supplement:** €15,000 per year;
- **Lead Independent Member supplement:** €15,000 per year;
- **Committee Chair supplement:** €15,000 per year (this includes membership of the chaired committee);
- **Committee membership supplement:** €7,500 per committee and per year.

The above amounts may be increased by up to 30% if necessary to attract qualified persons in the context of the renewal or replacement of certain offices.

Additional compensation (for each Board member):

- €13,300 to be paid approximately one year after the Annual General Meeting of June 2022 (or after the date of appointment of the member concerned, if later);
- €26,600 to be paid approximately two years after the Annual General Meeting of June 2022 (or after the date of appointment of the member concerned, if later);
- €39,900 to be paid approximately three years after the Annual General Meeting of June 2022 (or after the date of appointment of the member concerned, if later) and again annually thereafter.

If a member leaves the Board before the next Annual General Meeting or the next anniversary of his or her appointment as a member of the Board (*i.e.*, before the relevant date on which such member would become eligible for an additional compensation payment described above), the additional compensation that would have been owed to such departing member as of such date shall be paid on a pro rata basis, calculated daily from the date of the most recent Annual General Meeting or from the appointment anniversary date to the date of such member's departure.

Such pro rata compensation may be paid to members of the Company's former Supervisory Board whose terms ended on December 20, 2023 and who would have been eligible to receive this additional compensation as of the date of the Company's Annual General Meeting to be held in June 2024. These members would have been eligible to receive €26,600 as of the Annual General Meeting to be held in June 2024 and thus may receive a pro rata portion of €26,600, calculated for the period from June 21, 2023 to December 20, 2023.

The internal rules of the Board of Directors have kept in force the obligation for Board members to gradually acquire Valneva shares which had been stated in the Supervisory Board's internal rules since 2022.

In accordance with Recommendation No. 12 of the Middennext Code, the payment of the compensation granted to Board members is linked to certain meeting attendance conditions⁽⁵⁾.

⁽³⁾ See Section 2.1.1.

⁽⁴⁾ See Section 2.6.2.2.

⁽⁵⁾ See Section 2.2.1.