

### **Annex 3**

#### **Proposed amendments to Remuneration Policy for the Chief Executive Officer**

With respect to long term or deferred Incentive it is proposed to be amended as follows:

##### **Long term or deferred Incentive:**

The Company has established a Global Equity Incentive Plan (The “GEIP”) for its employees.

Under the GEIP, the Chief Executive Officer may receive any of the following:

- Options
- Restricted shares units
- Shares appreciation rights.

Any options granted to the Chief Executive Officer are unconditional. When granting option rights however, the Board shall apply performance criteria. Any option rights granted to the Chief Executive Officer may only be exercised upon expiration of four years after their date of grant and will be valid for up to nine and a half years as of such date. The exercise price of the options will be equal to the average of the closing price of the Axalto share on the Euronext Paris stock exchange during the five trading days preceding the grant date.

Notwithstanding the aforementioned, unless the employment with Axalto International SAS or the Company is terminated for willful misconduct ("faute lourde" within the meaning established by the French Supreme Court case law), any option rights will vest automatically upon decision of termination of the Chief Executive Officer and will remain exercisable for the full term of the option, notwithstanding any early termination provided in the GEIP and the relevant Sub-Plan, and all other eventual equity-based schemes will continue to vest even after the date of termination.

The long term or deferred Incentive part of the total remuneration package for the Chief Executive Officer shall be clearly above mid-point by comparison with the Comparison Group.

With respect to the Severance Payment it is proposed to be amended as follows:

**Severance Payment:**

The Chief Executive Officer is entitled to a Severance Payment equal to one (1) year of reference salary. The reference salary to be used to compute this Severance Payment will be the annual gross salary paid by Axalto International SAS during the last twelve months preceding termination from the employment agreement, to which should be added all bonus and other discretionary cash incentives, as well as all board member fees received during that period.

The Severance Payment will not be due if the employment with Axalto International SAS or the Company is terminated for willful misconduct ("faute lourde" within the meaning established by the French Supreme Court case law).

The Severance Payment will be in addition to the indemnities and benefits that would be provided by French laws and regulations and the collective bargaining agreement for the Engineers and Management level Employees in the Metallurgical Industry (Convention collective nationale de la Métallurgie - Ingénieurs et Cadres), with a recognized seniority since 1981, in the event of termination by Axalto International SAS, including in particular the six month notice period indemnity provided in the employment agreement, as well as the dismissal and paid vacation indemnities.

The Chief Executive Officer will not be entitled to a Severance Payment upon voluntary resignation.