

# Shareholders approve pay package of Stellantis CEO

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Tavares said his remuneration was 'contractual'

Stellantis shareholders on Tuesday approved a controversial 36.5-million-euro (\$38.75 million) pay package for chief executive Carlos Tavares.

Tavares defended the 2023 payout, a 56 percent jump from 2022, ahead of the vote approved by 70 percent of shareholders.

The non-binding vote at the annual general meeting in Amsterdam was closely watched after several activist investors called for a vote against the salary. His wage was rejected in 2021.

According to the Stellantis annual report, the 65-year-old Portuguese executive was due to get a 10-million-euro bonus for the transformation of the group—formed out of the 2021 merger of Peugeot and Fiat-Chrysler.

On a visit to a group factory in Tremery, eastern France, on Monday, Tavares said his remuneration was "contractual" between Stellantis and himself "like for a footballer and a Formula One driver."

"Ninety percent of my salary is made up of the enterprise's results ... so that proves that the enterprise's results are apparently not too bad," he told the France Blue Lorraine Nord radio station.

"If you believe that it is not acceptable, make a law, modify the law and I will respect it," declared Tavares.

Stellantis's 14 brands, that include Opel, Fiat, Dodge, Peugeot and Citroen, together made record profits of 18.6 billion euros in 2023, up 11 percent in a year. Sales were close to 190 billion euros.



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Tavares earned 23.5 million euros for 2023, much of it paid in shares. The figure includes pensions that are more long-term payments and bonuses that depend on the group performance in 2025 when his current term ends.

The salary also depends on the Stellantis share price which has nearly doubled in the past three years.

But Tavares's remuneration has already drawn controversy. In 2022, French President Emmanuel Macron called it "shocking and excessive".

The group has said the wage should be compared to other multinational giants—outgoing Boeing CEO Dave Calhoun took home \$33 million for 2023.

After the 2021 rebuff, Tavares's 2022 salary was approved by 80 percent of shareholders voting at the AGM.

Several governance advisory services recommended voting against the CEO's salary package this year, including Glass Lewis.

The French left wing union CGT called the salary "totally shocking and scandalous" when many employees were "struggling".

Stellantis said in February that it would share 1.9 billion euros among its employees worldwide. For French workers, that will mean a minimum of 4,100 euros.

Group shareholders will get 7.7 billion euros for 2023 in dividends and benefits from a share buyback.

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