
# LOCAL SUPPLEMENT FOR EGYPT

## EMPLOYEE SHARE OFFER SHARES4U 2026

This Local Supplement for Egypt is provided to you in addition to other Shares4U 2026 offer documents (in particular, the Brochure, the Subscription form and the Key Information Documents of the FCPE Shares4U Relais 2026and FCPE Valeorizon). It contains a brief summary of the local offer information and principal tax consequences relating to the offer.

Please note that neither Valeo nor your employer is providing you with, and will not provide you with, any personal, financial or tax advice in relation to this offer.

## LOCAL OFFER INFORMATION

### *FOREIGN EXCHANGE CONTROL INFORMATION*

Transfer of funds out of Egypt should be made through a bank in Egypt authorized to deal with foreign currency.

Since the events that took place in Egypt on January 25, 2011, the Central Bank of Egypt set certain rules limiting/regulating persons' ability to transfer foreign currency outside of Egypt. Those new temporary rules give banks the authority to ask for the reason behind the transaction, supported with documentation. The information shared by the client is then forwarded to the Central Bank of Egypt (CBE) which in turn either approves or declines the transfer.

Since November 2017, however, the CBE has been easing the regulations associated with transfers of foreign funds, along with any set limitations.

It should be noted that with some banks, to have the transfer of funds procedure abroad accepted, you must have a bank account with said bank that has been active for a minimum period of 3 months.

### *€ / EGP EXCHANGE*

In Egypt, you will make your investment in EGP. Because Valeo shares are listed in Euros, your investment amount will be converted into Euros at the exchange rate fixed prior to the start of the subscription period and provided to you with the subscription price. The amount in Euros will be invested in Valeo shares on the date of the capital increase. Any variation between the exchange rate established by Valeo and the exchange rate in effect on the date of the actual remittance of funds abroad will not affect the amount of your investment.

Thereafter, exchange rate fluctuations between the Euro and the Egyptian Pound can have a positive or a negative impact on your investment. During the life of your investment, the value of the Valeo shares that you hold will be affected by fluctuations in the currency exchange rate between the Euro and the EGP. As a result, if the value of the Euro strengthens relative to the EGP, the value of the shares expressed in EGP will increase. On the other hand, if the value of the Euro weakens relative to the EGP, the value of the shares expressed in EGP will decrease.

### *METHOD OF PAYMENT*

Payment of the amount of your subscription amount can be made by bank transfer to your employer AND/OR in instalments to be deducted from your salary over 3 months. You can opt for the one or the other option or combine both.

- Payment by bank transfer to the account of your employer:

  Beneficiary: Valeo Internal Automotive Software Egypt

  Bank: Citibank

  Branch: 5th Settlement Branch

  Account: 0101872505

  IBAN: EG350043000200000000101872505

  Please indicate as reference for the bank transfer your Employee ID number and Shares4U.

  Your payment must reach the account indicated above by October 30, 2026.

- Payment in instalments deducted from salary:

  This payment facility is offered only up to the maximum amount each month of 25% of your monthly salary. If you wish to invest more, you can combine with payment by other means available to you.

The amount of your subscription by this payment method will be divided in 3 instalments of equal amount to be deducted from your salary over 3 months, starting with the month of November 2026.

Please note that deductions from salary are also subject to limitations in accordance with law applicable in Egypt. Deduction of the amount of your subscription from your salary cannot exceed 25%. You should consider these limitations when you decide to opt for this payment method. The amount of your subscription by this payment method will be reduced to the amount deductible from your salary in 3 monthly instalments.

If your employment terminates before you have paid the Subscription Price in full, the unpaid balance of the subscription will become due and payable upon termination of your employment. Your employer will have the right to collect any unpaid portion of the Subscription Price from other amounts that are owed to you. Furthermore, your employer reserves the right to file a claim against you for payment of the unpaid amounts.

***LOCK-UP PERIOD OF 5 YEARS AND EARLY EXIT EVENTS***

In consideration of the benefits granted under the offer, your investment (subscribed shares/FCPE units) is subject to a lock-up period of 5 years (up to and including June 30, 2031), during which you will not be able to redeem your investment.

However, in the case of occurrence of any of the following events, you can request your investment to be released before the end of the lock-up period:

1. marriage or civil partnership (*);
2. birth or adoption of a third (or more) child provided that your household is already financially responsible for at least two children (*);
3. divorce, dissolution of civil partnership or separation when it is accompanied by a court decision specifying that your home is to be the sole or shared ordinary place of residence of at least one child (*);
4. Domestic violence committed against you by your spouse or civil partner or your former spouse or civil partner, when a police report or a court order is issued confirming the existence of such domestic violence (*)
5. termination of your employment (this case does not apply in case of mobility intra-group);
6. disability (you, your spouse, civil partner or child);
7. death (you or your spouse or civil partner).

Please note that for events marked (*), the request for early release must be submitted within 6 months following the event. If you do not request early release within 6 months of the event, your shares will remain subject to the nearly 5-year lock-up period (subject to the occurrence of a further early release event).

Redemption shall take place in the form of a single payment that, at your choice, shall relate to all or only some of your assets that may be redeemed. In case of occurrence of an early exit event between the end of the subscription period and the date of the capital increase, the exit request should be sent and will be processed after the date of capital increase.

These early release events are defined by French law and must be interpreted and applied in a manner consistent with French law. You should not conclude that an early release event is available unless you have described your specific case to your employer and your employer has confirmed that it applies to your situation, upon providing the required supporting documentation.

Please note that occurrence of an early release event only concerns your ability to redeem the shares purchased with your personal investment in the offering as distinct from the Free Shares discussed below. As your Free Shares will not be delivered until November 30, 2029 (except in the case of disability or death, provided you request such delivery), in case you request redemption of all your assets before such date and you leave the Group, you must ensure to update your Valeo former employer with your personal data in case of change thereof so as to enable their delivery.

Please note that in the event of your death before the delivery date, your legal heirs must request early delivery of the Free Shares within a period of six months following the date of death; failure to do so shall result in the loss of the Free Shares.

## Free shares

Your investment will be matched by a grant of additional shares of Valeo without your payment of any additional consideration ("Free Shares"). The number of Free Shares granted to you will be calculated based on the matching scale as indicated in the Brochure.

Free Shares are conditional rights to receive shares of Valeo without any additional payment, subject to the terms and conditions of this Plan. It is expected that the conditional right to Free Shares will be granted on November 18, 2026 and that the Free Shares will be delivered to you on or about November 30, 2029, subject to the terms and conditions provided for in the Free Share Plan Rules, which include in particular, a condition of continued employment. The period between the grant and the delivery of Free Shares is referred to as the vesting period.

You will find below a summary of certain conditions applicable to the grant, vesting and delivery of the Free Shares. For the full description, please refer to the Free Share Plan Rules made available to you at shares4u.valeo.com and upon request from your HR correspondent.

In order to be eligible for the grant of Free Shares, you must meet the following conditions:

1. You must have submitted a valid subscription form to participate to Shares4U 2026 offer;
2. You must be employed by a Valeo Group company on the date of grant of the conditional right to Free Shares which is expected to occur on November 18, 2026.

The Free Shares conditionally granted to you will then be subject to a vesting period of 3 years, ending on November 30, 2029. During this vesting period, you are not the owner of the Free Shares and you will not have the right to receive dividends or to vote at shareholders' meetings. You have the right to receive the Free Shares once the vesting period has expired, provided that your employment contract will not have been terminated during the vesting period due to:

- your resignation; or
- your dismissal as a result of your misconduct.

For the purpose of the vesting condition, dismissal for misconduct is defined as "any dismissal caused by wrongful conduct of the employee such as gross negligence in the performance of duties or wilful and continuous failure or refusal to perform any duties reasonably requested in the course of employment or service with a Valeo Group company, lack of loyalty towards the employer, serious violation of company rules or a fraudulent or dishonest act". In addition, in the cases of mutual termination agreement, which are considered as resignation or result from misconduct, the employee also loses the right to the Free Shares (to avoid any doubt, those mutual termination agreement which are not considered as resignation or result from misconduct will not trigger loss of Free Shares, unless the agreement indicates the loss thereof).

If your employment is terminated before the end of the vesting period for any reason other than the cases listed above, your rights to the Free Shares will be preserved. In particular, departure on retirement from the Valeo Group at normal date, or departure on retirement at the expiration of the minimal contribution period as provided by local law or bargaining agreement shall not be considered as resignation and your rights to Free Shares will not be affected. Similarly, if your employer company is no longer within the Valeo Group, your rights to Free Shares will not be affected. In the case of death and disability, as described in the Free Share Plan Rules, your Free Shares will be delivered in advance provided, in the case of death, that the request for early delivery is made within the six-month period following the death. As mentioned above, failure to do so shall result in the loss of your conditional right to receive your conditional right to receive the Free Shares.

Your Free Shares will be delivered to the FCPE Valeorizon or another equivalent vehicle. You can request redemption of your FCPE units corresponding to the Free Shares upon delivery or continue to hold your units in the FCPE for as long as you wish. Please note that redemption will not be possible during certain "black-out" periods as described in the Free Share Plan Rules in accordance with French law, in particular with respect to the insider trading restrictions.

## Labor law disclaimer

Please note that this offer is provided to you by the French company Valeo, not by your local employer.

The offer does not form part of your employment agreement and does not amend or supplement such agreement.

The launch of the present offer results from a decision taken at the discretion of Valeo. It does not constitute a right granted and participation in this offer in no way confers any right to participate in similar transactions. There is no obligation of Valeo to launch new offers in subsequent years.

Benefits or payments that you may receive or be eligible for under the offer will not be taken into consideration in determining the amount of any future benefits, payments or other entitlements that may be due to you (including in cases of termination of employment).

# TAX INFORMATION FOR EMPLOYEES

This summary sets forth general principles that are expected to apply to employees who (i) are and remain until disposal of their investment resident in Egypt for the purposes of the tax laws of Egypt and the Convention between Egypt and the French Republic for the avoidance of double taxation dated June 19, 1980 (the “Treaty”) and (ii) are entitled to the benefits of the Treaty.

This summary is given for informational purposes only and should not be relied upon as being either complete or conclusive.

The tax consequences listed below are described in accordance with Egypt and certain French tax law and tax practices, as well as the Treaty, all of which are applicable at the time of the offer. These laws, practices and the Treaty may change over time.

The tax treatment that applies to you may be different from the regime described in this summary depending on your personal situation, and in particular if you are in international mobility.

For definitive advice, employees should consult their own tax advisors regarding the tax consequences of participation to the offer.

***TAX SUMMARY***

(Please note that the chart below is only a summary. Please read carefully the more detailed information provided in this document hereafter.)

| | **Taxation at subscription** | **Payment facility** | **Dividends** | **Free Shares** | **Gain at redemption** |
|---|---|---|---|---|---|
| **When does the benefit become taxable?** | N/A | Upon subscription | Yes, despite reinvestment in the FCPE | N/A | Upon redemption |
| **Where is it taxable?** | No taxation at subscription | In Egypt | In Egypt | N/A | In Egypt |
| **Income tax** | No | Yes, withheld by your employer | Yes, to be paid by you | No | Yes, to be paid by you |
| **Social Security charges** | No | N/A | No | No | No |
| **Do specific exemptions apply?** | N/A | N/A | N/A | N/A | No |

## Taxation in France

Considering that during the approximate 5-year lock-up period, your investment will be held in the FCPE Valeorizon and that such FCPE reinvest any dividends that may be distributed by Valeo, you will not be subject to tax in France with respect to subscription, holding or redemption of your FCPE units, nor with respect to the grant or delivery of the Free Shares.

## Taxation in Egypt

*UPON SUBSCRIPTION*

***Will I be required to pay any tax or Social Security charges with respect to subscription of shares at a discounted price?***

There should be no taxes on your investment at subscription. There should be no Social Security charges at subscription.

Please note that in the event that your employer offers financing in any manner whatsoever, such as interest free loan, through advancing the value of the FCPE, and allowing you to repay this advance through salary deductions, there will be tax implications that may be triggered, and your employer shall be obligated to withhold such taxes.

An interest-free loan (the advance), greater than the value of the total of six month's salary of the employee, will be treated as a non-cash benefit equal to 7% of the loan amount. This benefit may be treated as an employment income subject to payroll tax.

***Will I be required to pay any tax or Social Security charges with respect to the grant of Free Shares?***

No, you will not be subject to tax or Social Security charges upon the grant of the right to receive Free Shares.

*DURING THE LIFE OF THE PLAN*

***Will I be required to pay any tax or Social Security charges on dividends?***

In the absence of a distribution to employees by the FCPE of the dividends received from Valeo, no withholding tax will be levied in France.

Dividends are taxable in Egypt at the rate ranging from 10% to 27.5%.

***Will I be required to pay any tax or Social Security charges with respect to the delivery of Free Shares in the FCPE?***

No.

***Will I be required to pay any wealth tax on the units I own?***

No.

*UPON REDEMPTION*

***Will I be required to pay any tax or Social Security charges when I ask the FCPE to redeem my units?***

You will most likely be subject to personal income tax on the capital gain realized. At the date of redemption/sale, the taxable gain from the redemption/sale of the shares/units will be calculated as the difference between (i) the redemption/sale price of the shares/units and (ii) their acquisition price. Tax will be levied at a maximum income tax rate of 27.5%.

*YOUR REPORTING OBLIGATIONS*

It is your obligation to report the capital gains realized prior to March, 31st of the year following the year in which the gain is realized.

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*For a more complete description of the offering, please refer to the offering documents as well as to the Rules of the Valeo International Group Savings Plan, to the Free Share Plan Rules and to the Regulations of the FCPE Shares4U Relais 2026 and of the FCPE Valeorizon, as approved by the AMF, the French securities authority. All these documents are made available to you at shares4u.valeo.com and upon request from your HR correspondent.*

Information contained in this document is being provided to you solely as information.

Nothing contained in this document or in any other materials distributed or made available to you in connection with this offer shall confer upon you any rights or entitlement with respect to your employment. Your decision whether or not to participate in this offer is entirely voluntary and personal. The offer is discretionary and participation in the offer is separate from and does not form part of your employment.

Shares of Valeo are listed on Euronext Paris (the Paris stock exchange). Your investment is linked to and therefore will fluctuate with the market price of the Valeo share. As a result, your investment is at risk. Valeo's latest Universal Registration Document *(Document d'Enregistrement Universel)* and financial reports are available to you at www.valeo.com and at request to your employer. These documents contain information on the business of Valeo, its financial results and certain risks associated with investment in shares.