**SHARES4U 2026**

**LOCAL SUPPLEMENT FOR ITALY**

**EMPLOYEE SHARE OFFER SHARES4U 2026**

**The English version of this Local Supplement is a free translation of the original, which was prepared in the local language of your country of subscription. In all matters of interpretation, views or opinions expressed in the original language version of the document take precedence over the translation.**

*This Local Supplement for Italy is provided to you in addition to the Shares4U 2026 offer documents (in particular, the Brochure and the Subscription form). It contains a brief summary of information relevant to employees located in Italy and of the principal Italian and French tax consequences relating to the offering.*

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

## Local Offer Information

***Securities law information***

Applying the Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, the offer is eligible to benefit from an exemption to the publication of a prospectus.

***Method of Payment***

You can choose only a single method of payment; you cannot combine method of payments.

- Payment of the amount of your subscription will be made by means of Cordusio Fiduciaria by wiring the dedicated currency account to the following coordinates:

  Intestazione Cordusio Società Fiduciaria per Azioni
  Unicredit Spa filiale Milano 7729
  IBAN: IT 88 G 02008 09431 000104557323
  Reference: name surname and number of fiduciary mandate

Cordusio Fiduciaria will transfer the total amount to the issuer in a single wire on the agreed date.

Payment will be made in a single settlement by wire transfer on the account filed with Cordusio Fiduciaria before October 30, 2026.

- Payment in one instalment deducted from salary:

This payment facility is offered only up to the maximum amount of 1/5 of your net monthly salary.

The amount of your subscription by this payment method will be deducted from your salary of November 2026. Please note that deductions from salary are also subject to limitations in accordance with law applicable in Italy. Each instalment must not exceed 1/5 of your net monthly salary. You should consider this limit when you decide upon your subscription amount. 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.

***Custody of your shares, voting rights, dividends***

Delivery of the shares subscribed by you will occur on November 18, 2026.

Your shares will be held in a share account opened with Amundi ESR, having its registered offices located at 91-93, boulevard Pasteur 75015 Paris, France; mail address: 26956 VALENCE Cedex 9, France (the "**Share Account Holder**").

Certain administration services relating to the VALEO shares will be provided by an Italian financial intermediary appointed by your employer, at its own expenses, (i) provided that you grant a specific mandate to such entity as indicated by your employer; (ii) until the end of the fiscal year relating to the expiry (a) of the lock-up period, as per the subscribed shares, or (b) of the holding period, as per the Free Shares (as defined below); and (iii) as long as you are an employee of a company belonging to the Valeo group in Italy.

You will have voting rights and any dividends paid by VALEO will be directly paid to you.

***Lock-up period of 5 years and early exit events***

In consideration of the benefits granted under the offer, your investment (subscribed shares) is subject to a 5 year lock-up period (up to and including June 30, 2031), during which you will not be able to sell or transfer your VALEO shares (including by gift) or otherwise redeem your investment.

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

i. marriage or civil partnership; (*)
ii. birth or adoption of a third child or higher, provided that your household is already financially responsible for at least two children; (*)
iii. divorce, or other judicial recognition of separation or termination of a civil partnership, if custody of at least one child is retained; (*)
iv. Domestic violence committed against the beneficiary by his or her spouse or civil partner or his or her former spouse or civil partner, when a police report or a court order is issued confirming the existence of such domestic violence;
v. disability (you, your spouse or civil partner or child);
vi. death (you or your spouse or civil partner);
vii. termination of your employment contract (this case does not apply in case of mobility intra-group);

Please note that for events marked (*), the request for early release must be submitted by you to the local Valeo subsidiary within 6 months following the event providing appropriate justification of the occurrence of the early redemption event. You may then (i) redeem the units for cash or (ii) decide to keep your assets invested in shares. If you do not request early release within six months of the event, your shares will remain subject to the approximate 5-year lock-up period (subject to the occurrence of a further early release event).

Upon redemption due to an early release event, the Share Account Holder will arrange for your shares to be sold on the Paris Stock Exchange, and you will receive a single payment. You may elect to redeem all or only some of the shares that you purchased in the offering and that are held by the Share Account Holder. In case of occurrence of an early exit case between the end of the subscription period and the date of 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 the 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 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 is matched by grant of additional VALEO shares for free ("**Free Shares**"). The number of Free Shares granted to you will be calculated based on the matching contribution 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 Free Shares (*i.e.*, conditional rights to receive the Free Shares, as better described below) will be granted on November 18, 2026 and that the Free Shares will be delivered to you on November 30, 2029, subject to the terms and conditions provided for in the Free Share Plan Rules and in particular the 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 department.

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

(i) You must have submitted a valid subscription form to participate in the SHARES4U 2026 offer; and
(ii) You must be employed by a VALEO Group company on the date of grant of Free Shares which should 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, 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 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 advance delivery is made within the six-month period following the death. Failure to do so shall result in the loss of your conditional right to receive the Free Shares.

Your Free Shares will be delivered to you in the securities account in which you hold shares acquired with your personal investment in the offering. After delivery, your Free Shares will be subject to a holding period of 3 years, expiring on or about November 30, 2032. During this period, you will not be allowed to sell your Free Shares.

After the end of the holding period, you can request to sell your Free Shares upon delivery or continue to hold them for as long as you wish. Please note that sale 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 Resident in Italy

*This summary sets forth general principles applicable at the date of the offer that are expected to apply to employees who subscribed to the 2026 offer who (i) are and remain until disposal of their investment resident in Italy for the purposes of the tax laws of Italy and the Convention between Italy and the French Republic for the avoidance of double taxation dated 5 October 1989, as amended (the "**Treaty**"), (ii) have an employment contract with a company controlled by VALEO and are subject to the social security scheme of Italy, (iii) are entitled to the benefits of the Treaty, which may not apply in all specific cases and (iv) do not carry out their professional activity in France.*

*The tax treatment that applies to employees may be different from the regime described in this summary depending on the employee's personal situation, and in particular if they are internationally mobile.*

*This summary is given for informational purposes only and should not be relied upon as being either complete or conclusive. For definitive advice, employees should consult their own tax advisors regarding the tax consequences of participating in the 2026 offering of VALEO shares (the "**Shares**").*

*The tax consequences listed below are described in accordance with Italian tax law and tax practices and certain French tax law, as well as the Treaty, all of which are current as of May 2026. These laws, practices and the Treaty may change over time even retrospectively.*

**<u>Tax summary</u>**

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

| | Discount | Payment facility | Dividends | Free Shares | Gain at redemption |
|---|---|---|---|---|---|
| *When does the benefit become taxable?* | Upon assignment, i.e. on the date of capital increase | Upon re-payment | Upon payment | Upon assignment, i.e. upon delivery of the shares | Upon disposal |
| *Where is it taxable?* | In Italy | In Italy | In France (French withholding tax) and in Italy | In Italy | In Italy |
| *Income tax:* | Yes, withheld by your employer (subject to the potential application of the exemption mentioned below) | Yes, withheld by your employer | Yes, withheld by paying agents in France and in Italy (otherwise paid by the employee) | Yes, withheld by your employer (subject to the potential application of the exemption mentioned below) | Yes, paid by the employee or withheld by the Italian intermediary intervening in the transaction |
| *Social security charges:* | Yes, withheld by your employer (subject to the potential application of the exemption mentioned below) | Yes, withheld by your employer No | No | Yes, withheld by your employer (subject to the potential application of the exemption mentioned below) | No |
| *Do specific exemptions apply?* | Yes, up to comprehensive €2,065.83 per year, subject to the conditions described under paragraph A.1 | It is a fringe benefit | N/A | Yes, up to comprehensive €2,065.83 per year, subject to the conditions mentioned under paragraphs A.1. and C.2 | No |

**Taxation in France**

The employee will not be subject to tax or social charges in France either at the time of subscription, at the time of grant or delivery of the Free Shares or at the time of sale of their VALEO shares (both in the case of discounted and Free Shares). In case of distribution of dividends by VALEO, such dividends may be subject to taxation in France. Please refer to the dividend taxation section below.

**Taxation in Italy**

***A. Shares at a Discounted Price***

***A.1 Will I be required to pay any tax or social security charges with respect to subscription of shares at a discounted price?***

The positive difference (the "**Difference**") between (a) the arithmetic average of market prices of the Shares registered in the last month (i.e., in the period between the date of assignment of the Shares – which is when the Shares enter into your juridical disposal – the "Date of Assignment" , i.e. the date of capital increase when the Shares are delivered to you with respect to the subscribed Shares – and the same date of the preceding month) and (b) the price you have paid for the subscription of the Shares, constitutes, in principle, income from employment subject to tax and to social security contributions in Italy at the rates indicated below. Please note that the Difference may be different from the discount applied for the determination of the subscription price.

However, an exemption of up to €2,065.83 in each calendar year is applicable for the purposes of both income taxes and social charges, subject to the following conditions: (1) the Shares are offered to all the employees of a company directly or indirectly controlled by VALEO (in case of subsidiaries which are under a 50/50 ownership by VALEO and another partner, or which are held at less than 50% by VALEO, a separate analysis should be performed to ascertain whether the subsidiaries may in any case be considered as controlled by VALEO under Art. 2359, paragraph 1, number 1) to 3), of the Italian Civil Code); and (2) the Shares are not repurchased by VALEO or by your employer or, according to a certain interpretation, any entity controlling the issuer, and (3) in any event you do not sell the Shares for at least three years from the Date of Assignment of the Shares. If the Difference exceeds €2,065.83 in a calendar year, the excess constitutes income from employment and is subject to income taxes and social security contributions according to the ordinary rules at the Date of Assignment at the rates indicated below.

The offer is designed to comply with the condition under (1), subject however to compliance with the conditions under (2) and (3).

If the conditions under (2) and/or (3) above are not met (e.g. in cases of early exit), the exempted portion of the Difference will be subject to income taxes and social security contributions as income from employment according to ordinary rules applicable at the time you sell the Shares. In these cases, you are required to inform your employer that you have sold the Shares.

Any income taxes and social security contributions due are withheld at source by your employer from your salary relating to the pay period during which the taxable event takes place or, if your salary is not sufficient, you may be required to provide your employer with the funds necessary to pay taxes and social security contributions due.

Where due, personal income tax applies at progressive rates depending on the amount of comprehensive taxable income [1]. The progressive rates are currently as follows:

- for yearly taxable income up to Euro 28,000: 23 per cent;

[1] Please consider that certain reductions of the amount of taxable income could be allowed upon satisfaction of specific conditions provided at law, where applicable, for those employees who transfer their tax residence from abroad to Italy and qualify for the special tax regime provided for repatriated workers under Article 16 Legislative Decree no. 147, 14 September 2015, as subsequently amended.

- for yearly taxable income from Euro 28,000 to Euro 50,000: 33 per cent;
- for yearly taxable income above Euro 50,000: 43 per cent.

Personal income taxes must be increased by regional and municipal surtaxes applicable at different rates depending on your region and municipality of residence.

An additional 10% rate would apply under certain conditions to any variable compensations (including bonuses, Free Shares, stock options and any Difference) to the extent they exceed the fixed portion of the remuneration, granted to executives and managers of companies operating in the financial sector. This would only apply if you are an executive or a manager of a company operating in the financial sector.

Where due, social security contributions applicable in Italy would generally amount up to approximately 36% to 46% to be entirely applied by your employer, approximately 9-10% of which shall be borne by yourself.

***B. Free Shares***

***B.1 Will I be required to pay any tax or social security charges with respect to the grant of Free Shares?***

No taxation occurs at the date of grant of the right to Free Shares. Taxation in Italy may occur upon delivery of Free Shares (see paragraph C.2 "*Will I be required to pay any tax or social security charges with respect to the delivery of Free Shares?"*).

***B.2 Will I be required to pay any tax or social security charges with respect to the delivery of Free Shares (after the 3-year vesting period, the Free Shares being subject to a 3-year holding period)?***

Yes, the fair market value of the Free Shares at the date such Shares enter into your juridical disposal (equal to the arithmetic average of market prices registered in the last month - i.e. in the period between the date of delivery of the Free Shares to you and the same date of the preceding month) constitutes in principle income from employment subject to personal income taxes and social security contributions in the same manner as described above at paragraph A.1 "*Will I be required to pay any tax or social security charges with respect to subscription of shares at a discounted price?*" for the subscription price discount (including the exemption regime of a comprehensive amount up to €2,065.83, for each calendar year applicable, *mutatis mutandis*, based on the conditions indicated above, under paragraph A.1 "*Will I be required to pay any tax or social security charges with respect to subscription of shares at a discounted price?*").

Please note that if as a result of delivery of Free Shares to you, your employer or a Valeo Group company is or would be required to pay or withhold taxes and/or social security contributions on your behalf, Valeo reserves the right to delay the delivery of the Free Shares until such time as you have paid the amounts due or have made the necessary arrangements for their payment. Alternatively, Valeo or your employer may withhold the necessary amounts from your salary.

***C. Will I be required to pay any tax or social security charges on dividends?***

**<u>Taxation in France</u>**

Under French domestic law, dividends distributed by a French issuer to natural persons who are not French tax residents are generally subject to a French withholding tax at the rate of 12.8%[2].

[2] The dividend withholding tax rate is increased to 75% when the dividends are paid to a bank account opened in a Non-Cooperative State or Territory as defined under article 238-0 A 1, 2 and 2 bis-1° of the French Tax Code (a "NCST"), unless the distribution of the dividends in a NCST has neither the object nor the effect of locating the dividends in such a NCST for tax evasion purposes. The list of NCSTs is updated at least once a year. The states and territories qualifying as NCSTs are currently the following: Anguilla, Antigua and Barbuda, Turks and Caicos Islands and Vanuatu.

The Treaty provides for a maximum withholding tax rate of 15%. Therefore, no reduction of the withholding tax levied at the rate of 12.8% may be claimed on the basis of the Treaty.

**Taxation in Italy**

The dividends received on Shares would be subject in Italy to a 26% final "entrance" withholding tax if the dividends are collected through an Italian entity acting as a withholding agent.

In this case, you shall not be required to declare these dividends in your income tax return.

However, if the dividends are not collected through an Italian entity acting as a withholding agent and no "entrance" withholding tax is applied in Italy, you will be required to declare the dividends in your income tax return and to pay substitute tax at a rate of 26% thereon (if exceeding euro 12).

In this case, the dividends shall be declared in your annual tax return to be filed in Italy for the year of receipt of dividends and the related tax shall be paid accordingly.

In case that dividends are collected through an Italian withholding agent, the 26% final "entrance" withholding tax is to be applied on the amount of dividends you received net of any withholding tax at source applied in France.

On the contrary, in case that dividends are not collected through an Italian withholding agent, according to a literal interpretation of the law, substitute tax at the rate of 26% should be applied on the gross amount of the dividends.

No social security contributions apply in Italy to the dividends.

It is possible to declare the dividends and pay the 26% substitute tax, directly through the form "730" (a simplified tax return), that you usually file, without filing an additional tax form.

***D. Will I be required to pay any wealth tax on the Shares I own?***

Italian resident individuals are subject to a stamp duty on communications regarding financial assets (including the Shares) held through an Italian-based financial intermediary. According to Italian tax law, it is assumed that the communication is sent at least once a year, even in the absence of said communication.

The stamp duty is imposed at a rate of 0.2% per year. The taxable base is the market value of the assets (or, in the absence thereof, the nominal or the reimbursement value) at end of the reference period of each communication (in case of ownership for a fraction of the year, a pro rata calculation is made).

If the shares are held abroad by Italian-resident individuals directly and no relationship of custody, administration or management is in place with an Italian intermediary, an Italian wealth tax is imposed at a rate of 0.2% per year, that the employee will be required to pay (if exceeding euro 12) and in relation to which the employee will be required to declare the shares held in section RW of his/her annual Italian income tax return. The taxable base is the market value of the assets (or, in the absence thereof, the nominal or the reimbursement value) at end of every fiscal year, or, if the assets are no more held at the end of the year, at the end of the holding period (in case of ownership for a fraction of the year, a pro rata calculation is made).

The potential double taxation is avoided by allowing Italian residents to credit net worth foreign taxes (if any) paid abroad against, and up to the amount of the Italian wealth tax.

***E. Upon the end of the lock-up period and/or the sale of your Shares (with respect to subscribed shares)***

There is no automatic taxation in Italy on the gains accrued at the end of the lock-up period in case you choose not to sell the Shares (unless you opt for the discretionary investment portfolio - "risparmio gestito" - regime). If you do not sell your Shares at the end of the lock-up period, the tax regime described below will not apply until such time as you actually sell your Shares.

In case of disposal of the Shares, the capital gain you realized is subject in Italy to substitute tax at the rate of 26%.

The taxable capital gain is equal to the difference between the sale price and the subscription price (in case you have been subject to taxes on income from employment upon assignment of the Shares or upon disposal of the Shares in breach of conditions mentioned above under (2) or (3) in paragraph A.1 "*Will I be required to pay any tax or social* *security charges with respect to subscription of shares at a discounted price?*", the Difference and/or the fair market value of the Free Shares that has been subject to income taxes as income from employment is added to/considered as the subscription price).

You will have to indicate the capital gains realized in your annual tax return and pay the 26% substitute tax (if exceeding euro 12).

However, if the Shares are deposited with a qualified Italian financial intermediary and you have opted for the so-called non-discretionary investment portfolio ("*risparmio amministrato*") or discretionary investment portfolio ("*risparmio gestito*") regime, the substitute tax will be directly applied by such intermediary and you are not required to report the capital gains in your yearly tax return.

No social security contributions apply in Italy on the capital gains.

It is possible to declare capital gains and pay the 26% tax on capital gains, directly through the '730' (simplified tax return) form, which one usually file, without submitting an additional tax form.

***E. Your reporting obligations***

For tax reporting purposes, you should report on section RW of your annual income tax return (or in a specific form if you are exempted from the obligation of filing the income tax return) to be filed in Italy the amount of foreign investments, from which you may derive an income subject to tax in Italy, held during the relevant tax year. The Shares qualify as foreign investments for Italian tax reporting purposes. Such reporting obligations do not apply to you if the Shares are deposited with an Italian-based financial intermediary in charge of the collection of income deriving therefrom to the extent the income is subject to Italian withholding or substitute tax by the same intermediary.

It is possible to fulfil declaration obligations and pay wealth tax directly through the '730' form, which is usually submitted, without submitting an additional tax form.

In addition, dividends and capital gains will have to be included in the employee's Italian tax return (Form 'RM' and 'RT') and taxes will have to be paid accordingly. As already mentioned, it is possible to declare dividends and capital gains and pay the 26% substitute tax directly through the '730' form, which is usually filed, without submitting an additional tax form.

* * *

*For a more complete description of the offer, please refer to the offer documents as well as to the Rules of the VALEO International Group Savings Plan and to the Free Share Plan Rules. 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 on 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 on the website 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.