Driving Change Together

EMPLOYEE SHARE OFFER "SHARES4U 2026"

FREE SHARE PLAN RULES

(International except Italy & Spain)

The Board of Directors of Valeo (hereafter, "**Valeo**" or the "**Company**") decided to grant free shares to employees of companies which are members of the Valeo International Group Savings Plan (hereafter, the "**PEGI**") outside of France who have subscribed to the Shares4U 2026 Offer, adding to their personal contribution to the PEGI, and agreed to the main terms and conditions applicable to these grants.

The allocation of free shares to employees having subscribed to the Shares4U 2026 Offer in a country other than Italy and Spain is governed by the terms and conditions provided for in these free share plan rules (hereafter, the "**Plan**" or the "**Plan Rules**").

Valeo is the parent company of the Valeo Group of companies (the "**Group**").

The shares that are being granted in this Plan are ordinary newly issued or existing shares of Valeo, repurchased by the Company. They are referred to in this Plan as the "**Free Shares**".

Article 1. Purpose of the Plan

In order to give employees the opportunity to participate more closely in the development of the Group, Valeo decided to propose to employees of the Group the possibility to participate in a share offering under preferential conditions. In particular, the share offering is proposed to employees of the Group companies outside of France who participate within the framework of the PEGI of Valeo. In this context, the Board of Directors of Valeo has expressed its intention to grant Valeo shares for free to each employee having subscribed to Valeo shares under the Shares4U 2026 Offer and thus offer him or her the additional benefit in the form of Free Shares.

This grant is being made pursuant to the authorization given by the Shareholders Meeting of May 21, 2026 in the 16th resolution.

The Plan is governed in particular by Articles L. 225-197-1 *et seq.,* and L.22-10-59 and L.22-10-60 of the French Commercial Code.

Article 2. Eligibility

In order to be eligible for the grant of Free Shares, a person shall meet the following criteria:

- be an employee of a company, which is member of the PEGI of Valeo, on the Date of Grant (as defined below), and

- have validly subscribed to the Shares4U 2026 Offer.

The "Grant Date" is the date on which the allocation becomes effective following the acknowledgement by the Board of Directors and Chief Executive Officer of Valeo of the list of beneficiaries and number of Free Shares granted to each of them based on the results of the subscriptions on the date of delivery of the shares subscribed in the Shares4U 2026 Offer.

Each person who meets the criteria referred to above is a "**Beneficiary**".

Article 3. Grant of Free Shares

The number of Free Shares granted to each Beneficiary is based on the amount subscribed by such Beneficiary with his or her personal contribution, directly or through an FCPE, in connection with the Shares4U 2026 Offer pursuant to the following table:

Amount of the personal contribution of the Beneficiary in the Shares4U 2026 Offer	Free Shares grant rate
up to and including €400	100%
above €400 and up to €1 200	50%
above €1 200 and up to €2 000	25%
above €2 000	0%

For the purpose of calculating the number of Free Shares granted to each Beneficiary, the amount of such Beneficiary's subscription under the Shares4U 2026 Offer, after reduction in the case that the subscription requests exceed the ceiling fixed for the share capital increase under the Shares4U 2026 Offer, as the case may be, will be multiplied by the rate that corresponds to each investment tranche. The resulting number is then divided by the subscription price in order to obtain the number of Free Shares to be granted to such Beneficiary, rounded down to the next whole number of shares.

The delivery of the Free Shares granted to Beneficiaries will occur at the end of the vesting period expiring on November 30, 2029 (hereafter the "**Vesting Period**") subject to the satisfaction of the conditions set forth in these Plan Rules.

Beneficiaries will become owners of the Free Shares only after the end of the Vesting Period. Consequently, prior to such date, they will not be shareholders and will not have the right to vote or to receive dividends.

The rights resulting from the grant are personal to each Beneficiary. A Beneficiary cannot sell or transfer his or her right to receive Free Shares under this Plan. The only exception to this restriction is for transfers that occur through succession to legal heirs in the event of death of the Beneficiary.

The Free Shares are distinct from the employment agreement and do not constitute an integral part thereof. Further, the Free Share will not be taken into account for the calculation of severance payments, retirement pensions, or any other payment made within the context of the termination of an employment relationship.

The grant of Free Shares within the context of this Plan does not create or imply any right for any Beneficiary to receive a grant in any subsequent year or to have his/her employment contract continued with Valeo or any Group company.

Article 4. Delivery of Free Shares

Beneficiaries, who satisfy the "**Employment Condition**" defined below in Article 4.1, will receive the Free Shares at the end of the Vesting Period, i.e., on November 30th, 2029 (referred to as the "**Delivery Date**") or as soon as practical after this date, where a delay could potentially be necessary due to technical constraints associated with verifying the acquisition of the rights to receive Free Shares and to transactions associated with the delivery of the Free Shares.

Vesting and delivery of Free Shares shall be subject in all cases to Valeo and its participating Group companies obtaining all authorizations that are necessary or recommended, or completing any formalities required under local law.

If, pursuant to applicable law or regulations, the preservation of the rights to receive Free Shares or the delivery of the Free Shares requires Valeo, any company of Group, or the Beneficiary to obtain authorizations, to file declarations, or to complete other formalities, then the rights to receive Free Shares or the delivery of the Free Shares may be suspended without prior notice. Valeo reserves the right to carry out the delivery of the Free Shares through a mechanism entailing the immediate sale and payment to the affected Beneficiary of the net proceeds resulting from the sale, or to cancel the rights to receive Free Shares in exchange for a payment in cash, in local currency, to the Beneficiary, equal to the market value of the relevant Free Shares converted in local currency on or around the date of payment. Neither the Company nor the participating companies of Group are obliged to carry out any procedures required under local law.

4.1 Employment Condition

The Free Shares are to be delivered to the Beneficiary upon the expiration of the Vesting Period, provided the Beneficiary's employment contract has not been terminated during the Vesting Period due to:

- Resignation of the Beneficiary,
- Dismissal as a result of misconduct by the Beneficiary.

For the purposes of the Plan, dismissal as a result of misconduct is defined as any dismissal caused by the wrongful conduct of the employee such as gross negligence in the performance of duties or willful and continuous failure or refusal to perform any duties reasonably requested in the course of employment or service with a 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. For the avoidance of doubt, mutual termination agreements which are not considered as resignation or result from misconduct will not trigger the loss of Free Shares, unless the agreement indicates the loss thereof.

This condition is referred to in this Plan as the "**Employment Condition**".

If a Beneficiary ceases to satisfy the Employment Condition, he or she will be deemed to be "disqualified", will lose all the rights under these Plan Rules and will no longer be eligible to receive the Free Shares upon expiration of the Vesting Period.

It is specified that departure of the Beneficiary on retirement from the Valeo Group in accordance with applicable law or pursuant to a retirement scheme applicable in the Beneficiary's employing entity will not be considered as resignation and will have no impact on the Beneficiary's rights.

Similarly, if the employing company is no longer within the Group, Beneficiary's rights will not be impacted.

4.2 Accelerated vesting of the rights to Free Shares

By exception to the provisions above, Free Shares will be delivered in advance in the following events:

a) Beneficiary's death:

In the event of the Beneficiary's death during the Vesting Period, his or her legal heir or heirs may request early delivery of the Free Shares within a period of six months following the date of death. In this case, any Free Shares granted shall be delivered immediately to such heir or heirs. They will be entitled to dispose of the Free Shares immediately. Should his or her heirs remain silent until the expiration of this period, they will be deprived of the right to receive the Free Shares.

b) Disability of the Beneficiary:

In the event of a disability of the Beneficiary, corresponding to a classification in the second or third categories provided for in Article L. 341-4 of the French Social Security Code (or local law equivalent) impairing the Beneficiary from any further employment, during the Vesting Period, the Free Shares shall be delivered to him or her before the end of the Vesting Period and he or she will be entitled to dispose of the Free Shares immediately.

In addition, the Board of Directors of Valeo (or its delegate) shall have the power to maintain the rights to Free Shares on a case by case basis.

Article 5. Custody

The custody arrangement for the Free Shares will be the same as for the Valeo shares subscribed by the Beneficiaries in the context of the Shares4U 2026 Offer. Accordingly, Free Shares will be either held in the FCPE Valeorizon (or, at the Company's discretion, any other equivalent vehicle), or held directly inscribed in a share account opened in the books of the account holder responsible for the administration of the Shares subscribed by the Beneficiary in the context of the Shares4U 2026 Offer.

With regard to the Free Shares held in the FCPE, the voting rights attached to these shares will be exercised by the FCPE's supervisory board, and dividends will be automatically reinvested in the FCPE (and will result in the issue of units or fractions of units).

The Beneficiary may dispose of the FCPE units or the fractions of units issued upon delivery of Free Shares in the FCPE, or of Free Shares upon their delivery.

The costs related to the management and administration of the FCPE or individual accounts are the same as those applicable to FCPE units or the Valeo shares subscribed under the PEGI which gave right to the grant of Free Shares. For more information, please refer to the PEGI rules.

Article 6. Restrictions applicable after delivery of Free Shares

In accordance with Article L. 22-10-59, II of the French Commercial Code, the Shares can neither be sold nor transferred:

> 1) within a period of thirty calendar days preceding the announcement of an intermediary financial statement or of the annual financial statements which are to be released to the public,
>
> 2) by the members of the Board of Directors, the Chief Executive Officer or deputy Chief Executive Officer and employees who have access to an inside information, within the European legislation on Market Abuse, which is not released to the public.

In addition, the Free Shares may only be sold in compliance with all laws, regulations and company rules set out in the Code of Business Ethics (section 5, heading "Preventing insider trading") and the Internal policy relating to trading in securities of Group ("*Code de Bonne Conduite*"), aimed at ensuring the transparency and the security of financial markets, and in particular those relating to insider trading, including the obligation to refrain from transferring the Free Shares if they become aware of inside information, within the meaning of European legislation on Market Abuse, that has not been made public.

Article 7. Tax and social treatment of the Free Shares

Each Beneficiary is responsible for the payment of any social charges, income tax and any other taxes and/or charges that are due by him or her in respect of any aspect of the Plan. The tax and social security rules differ depending on the country of residence of the Beneficiary. It is the Beneficiary's responsibility to inform himself or herself of the tax and social treatment of the Shares granted to him or her, particularly with respect to the award, transfer, sale or potential dividend payment.

If as a result of the award or the ensuing delivery or sale of the Free Shares, Valeo or a company of the Group is or would be required to pay or withhold taxes, social charges, or any other type of taxes, on behalf of the Beneficiary, Valeo reserves the right to delay the delivery of the Free Shares and/or to prohibit the transferability of the Shares until such time as the Beneficiary has paid the amounts due or has made the necessary arrangements for their payment. The Beneficiary accepts that Valeo or the Beneficiary's employer, directly or via the plan administrator may (i) withhold the necessary amounts from the Beneficiary's salary to cover the payment of the aforementioned taxes or charges or (ii) carry out the sale of a sufficient number of Free Shares to cover the payment of sums owed thereto, with the proceeds derived from this sale to be paid directly to Valeo or the company of the Group in question.

Article 8. Modification of the Plan Rules

The terms and conditions of these Plan Rules may be modified only if (i) such modification is required by legal or regulatory provision or change in the interpretation of such provision or (ii) if such modification is considered to be appropriate by the Board of Directors.

The terms and conditions of this Plan may also be modified to enable Valeo's Board of Directors to take the necessary measures in protecting the interests of the Beneficiaries following operations on the Company's share capital.

Beneficiaries shall be notified of any modifications to the Plan Rules that affect their rights under the Plan. Such notification may be made by means of individual communication, general notice posted in the workplace, or such other means as the Company shall deem adequate and appropriate.

Article 9. Specific terms for U.S. beneficiaries

Free Shares awarded under this Plan cannot be resold in the United States and should only be sold through the trading facilities of the Euronext market in Paris.

For Beneficiaries who are citizens of the USA or US residents for tax purposes (hereafter "**US Taxpayers**"), the Plan will be construed in a manner such that the grant, vesting and delivery of the Free Share be consistent with the requirements of the Section 409A of the US Internal Revenue Code of 1986, as amended, in order to prevent any negative tax impact resulting from its application.

In particular, for US Taxpayers, the right to claim immediate delivery of the Free Shares within a period of 6 months in the case of the Beneficiary's death or in the case of disability as provided in article 4.2 (a) and (b) does not apply, irrespective of whether such Beneficiary was employed or not by a US Subsidiary of Valeo at the time the death or disability occurs. In the case of death or disability of a US Taxpayer, delivery of the Free Shares will be performed automatically within 90 days following the event.

Moreover, for a US taxpayer, the term "*disability*" shall designate situations in which Beneficiaries are considered to be disabled pursuant to Section 409A of the US Internal Revenue Code.

Article 10. Interpretation

In the event that any term or condition of this Plan is considered void, illegal or unenforceable under applicable law in any jurisdiction with respect to any Beneficiary, the Plan shall be interpreted in respect of such employee as if it did not contain such term or condition. All other terms and conditions of the Plan that are valid shall remain in force and shall be interpreted and applied in the manner that most closely respects the original intention of the Plan and the applicable French law provisions.

Article 11. Governing Law

This Plan is established within the framework of Article L. 225-197-1 *et seq*., and L .22-10-59 and L. 22-10-60 of the French Commercial Code and must be interpreted in accordance with these provisions.

In the event of any dispute regarding the interpretation, validity or application of the Plan, the relevant parties will strive to find an amicable solution. If such a solution cannot be found, the dispute may be heard exclusively by a competent court in France.

Article 12. Restructuring - Substitution of Shares in the case of a merger, demerger or exchange public offering

If during the Vesting Period, Valeo is merged into another entity or split, the outcome with respect to the rights to receive Free Shares shall be determined by the purchase or sale agreement(s).

If during the Vesting Period, Valeo Shares are substituted as a result of a merger, demerger or an exchange public offering conducted in accordance with the applicable legislation, the outcome with respect to the rights to receive Free Shares shall be determined by reference to the terms of the offering and article L. 225-197-1 of the French Commercial Code.

Article 13. Adjustment of rights to Free Shares

The Board of Directors of Valeo will make adjustments to the Free Shares as and when required, unless it considers such adjustment inopportune, in order to take into account the impact of certain transactions that occur during the Vesting Period and affect the share capital of Valeo in order to preserve Beneficiary's rights. Such transactions are those listed in the second paragraph of article L. 225-181 of the French Commercial Code as follows: capital depreciation or reduction, modification of the means of sharing of benefits, grant of free shares to all shareholders, a capital increase by incorporation of reserves, benefits or issuance premiums, distribution of reserves and any issuance of capital securities or financial instruments that give right to allocation of capital securities with preferential subscription rights being reserved to shareholders, as well as, as the case may be, in the event of modification of the share nominal amount, consolidation or splitting of shares.

Adjustment of the Free Shares will be done by reference to the rules applicable to stock options as provided for in articles R. 225-137 *et seq.* of the French Commercial Code.

Article 14. Translation

In the case of inconsistency between the version of these Plan Rules in French and a translation of the Plan Rules in English or in any other language, the version in French shall govern.

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