

THE ANNUAL CLASSIC SHARE PLAN 2026

TAX NOTE FOR EMPLOYEES IN IRELAND

This summary outlines the general income tax (“PAYE”), Pay Related Social Insurance (“PRSI”) and Universal Social Charge (“USC”) principles that are expected to apply to employees of an Irish company who are resident, ordinarily resident and domiciled in Ireland throughout the 5-year holding period. For definitive advice, you should consult a personal tax advisor.

This summary is given for information purposes only and the tax consequences below are described in accordance with Saint-Gobain’s understanding of Irish law and practices applicable at the time of the offer.

At subscription

On subscription, a taxable amount for income tax purposes will arise. The taxable amount will be equal to 50% of the sum of the discount you receive in respect of shares purchased with your subscription and the full value of the employer matching contribution.

The 50% abatement of the discount is based on Irish tax law in relation to share plans where there is a restriction applied on the time that the individual can subsequently dispose of the shares following the purchase date.

The rate of abatement depends on the number of years for which the restriction remains in place. Where there is a one-year restriction a 10% abatement applies and this increases by 10% for each additional year of restriction up to 6 years (60%). As the Saint-Gobain scheme applies a 5-year restriction, a 50% abatement applies accordingly.

According to tax rules, the taxable benefit must be calculated based on the difference between the market value of a share when the offer to purchase closes on 7th April 2026 and the special subscription price that will be announced on 23rd March 2026.

In addition to income tax (PAYE) at your marginal rate, you will also be liable to the Universal Social Charge (USC) on the taxable amount (0.5%, 2%, 3% or 8% depending on your level of annual taxable income) and Pay Related Social Insurance (PRSI) of 4.2%. You are not required to notify the Revenue Commissioners in your annual return of income of the discounted taxable amount as the amounts will be processed through Payroll accordingly.

During the 5 year holding period

From the date of subscription until the end of the holding period (or early redemption) you will be subject to income tax at your marginal rate and USC on the dividends received which are reinvested in the Saint-Gobain Avenir Monde Fund. Depending on your circumstances PRSI may also be due. You are required to notify the Revenue Commissioners of any dividends received in your annual return of income.

At the end of the 5 year holding period

At the end of the 5-year holding period on 15th May 2031, a Capital Gains Tax (“CGT”) liability may arise on any taxable gain your investment has made. At this time, you can remove your investment from the Saint-Gobain Avenir Monde Fund or leave it in place with no income tax implications on either event.

If you choose to sell your units and receive cash this gives rise to capital gains tax (CGT) on any gain. The gain arises where the market price of the Saint-Gobain shares on 15th May 2031 is **higher** than the price you paid for the units plus the amount already subject to income tax (i.e., 50% of the total discount at subscription) and the dividends reinvested. The first €1,270 of total gains in a year is exempt from CGT and the remainder is taxed at the current rate of 33%.

If you choose to convert your units into directly held shares at the end of the lock up period, this is not yet a taxable event. If you subsequently sell these at a time when share market price of the Saint-Gobain shares at that date of sale is **higher** than the price you paid for the units plus the amount already subject to income tax (i.e., 50% of the total discount at subscription) and the dividends reinvested, then a gain will arise. Again, the first €1,270 of total gains in a year is exempt from CGT and the remainder is taxed at the current rate of 33%.

For the avoidance of doubt, this means that even if the share price does not increase between subscription and sale, you may have a capital gains tax liability to pay in respect of the untaxed discount received at subscription.

CGT payable on disposals made between 1st January and 30th November is due for payment by 15th December of the same year while CGT payable on disposals made between 1st December and 31st December is due for payment by 31st January of the following year.

If the market price of the Saint-Gobain shares on the date of redemption or subsequent sale is lower than the price you paid for them plus the amount already subject to income tax and the dividends reinvested, you will realise a capital loss.

You may deduct your capital loss from any capital gains you realise in the same year, thus lowering your overall capital gains taxes for that year. If you have no other capital gains for the year, the unused capital loss may be carried forward to future years to offset capital gains in the future.

In the circumstances of early redemption

In certain limited circumstances you may be able to redeem your investment earlier than the end of the 5-year holding period. In these circumstances, the tax implications will be as follows:

Income Tax

Where the original restriction on the disposal of the shares is subsequently removed or varied during the restricted period, the original income tax charge on the acquisition of the shares must be adjusted to take account of the actual period the restriction was in place.

A claw back of the abatement is necessary to collect any additional income tax that may be due as a result of the removal or variation of the restriction. The additional tax due on the removal or variation of the restriction will be recouped from the individual through payroll.

Capital Gains Tax

You will be subject to CGT on any gain arising at the date of early redemption. The gain is equal to the differences between the value of your investment at the date of early redemption and the amount of your original personal investment plus the amount already subjected to income tax and the dividends reinvested.

The value of your investment

The value of your investment will be the share price on 15th May 2031 (or on early redemption) multiplied by the aggregate of the number of units acquired with your own contribution, the units acquired with the employer’s matching contribution and the units acquired with any dividends paid during the period.



Paying the income tax (PAYE), PRSI and USC

For the avoidance of doubt, the income tax (PAYE), USC and PRSI due at subscription will be collected via the Saint-Gobain payroll system from your employment income. The taxable amount will be included in your Saint-Gobain taxable employment income reported for 2025 to Revenue via the real time reporting PAYE system.

What happens if I do not remove my investment at the end of the 5 year holding period?

If you choose to leave your investment in the Saint-Gobain Avenir Monde Fund at the end of the 5-year holding period, and then

Example for calculating Income Tax, PRSI and USC withholding

This example assumes a Saint-Gobain share price of €80. This means the subscription price, at a 20% discount, would be €64.

Employee contributes €500

Employer match of €500

Total funds of €1,000

You acquire 15 units in the Saint-Gobain Avenir Monde Fund at the subscription price of €64 using your total funds of €1,000.

On subscription, the amount of income tax, employee PRSI and USC payable is calculated based on the value of the discount applied to the total shares purchased using your total funds as well as the employer matching contribution. The taxable amount is 50% of the total discount received.

to redeem your investment at a later point in time, no further income tax (PAYE), PRSI or USC will be due at that later point in time. However, as noted above, CGT may be due.

Your reporting obligations

For income tax purposes, you have a reporting obligation on your annual tax return in respect of the dividend income received during the holding period as explained above. You should be aware that there are also capital gains tax reporting obligations on your annual tax return and as such we would recommend that you consult a personal tax advisor to check whether or not a filing requirement will arise in your circumstances.

According to tax rules, the taxable benefit must be calculated based on the difference between the market value of a share when the offer to purchase closes on 7th April 2026 and the special subscription price that will be announced on 23rd March 2026. For the purposes of this example, it has been assumed that there is no movement in the share price during this period, and therefore the market value of a share when the purchase offer closes is the same value as the special subscription price.

Assume an additional 2 units are received in relation to dividends during the holding period. This means at the end of the holding period you have 17 units.

Assume the share price has risen to €90 when you redeem your investment.

Investment value on subscription	15 x €80	€1,200	A
Less: employee subscription amount		(€500)	B
Discount received on subscription	(A - B)	€700	
Taxable amount for income tax, USC and PRSI purposes	(A - B) x 50%	€350	C
Income tax liability	(40% of €350)	€140	
USC	(8% of €350)	€28	
PRSI	(4.2% of €350)	€15	
Total liability		€183	D
Value at end of holding period	17 x €90	€1,530	E
Less: employee subscription amount		(€500)	
Less: amount subject to deductions at date of subscription		(€350)	
Less: dividends received re-invested in the fund		(€160)	F
Chargeable Gain	(E - B - C - F)	€520	G
Less: annual exemption		(€1,270)	H
Taxable Gain	(G - H)	€0	I
Capital Gains Tax at 33%		€0	J
Net proceeds	(E - D - J)	€1,347	K
Less: employee subscription amount		(€500)	
Net profit	K-B	€847	
Income tax, USC & PRSI payable on dividend income* (assume total dividends of €120 paid during holding period)	52.2% of 160	(€84)	

This example also assumes that you have no other capital gains in the tax year

This example assumes income tax paid at the marginal tax rate of 40%, an annual gross income for 2026 greater than €70,044 to give USC at 8%, and PRSI at 4.2%.

The above calculations have been rounded to the nearest Euro.

