

A large, stylized 'V' graphic composed of several overlapping triangles in various shades of blue and light blue, creating a geometric pattern.

COMBINED GENERAL MEETING JUNE 17, 2020

**Special Report of the Management Board
Stock options**



VALNEVA

A European Company (*Societas Europaea*) with a Management and a Supervisory Board
Share capital: €13,819,938.99
Registered offices: 6 rue Alain Bombard, 44800 Saint-Herblain (France)
Nantes Companies Register (R.C.S.) No. 422 497 560

SPECIAL REPORT OF THE MANAGEMENT BOARD TO THE ANNUAL ORDINARY GENERAL MEETING TO BE HELD ON JUNE 17, 2020 ON TRANSACTIONS UNDERTAKEN IN THE FISCAL YEAR ENDED DECEMBER 31, 2019 (ARTICLES L. 225-177 TO L. 225-186 OF THE FRENCH COMMERCIAL CODE)

To the Shareholders,

In compliance with the provisions of article L. 225-184 of the French Commercial code, we hereby report to you on transactions undertaken by virtue of the provisions of articles L. 225-177 à L. 225-186 of said code relating to the options to purchase or subscribe for shares in the fiscal year ended December 31, 2019.

1. INFORMATION CONCERNING CORPORATE OFFICERS

1.1 Presentation of the corporate officers

	<p>Mr. Thomas Lingelbach <i>Chair of Valneva SE's Management Board - President & CEO (56 years old)</i></p> <p>***</p> <p>Appointed on May 10, 2013 End of term of office at the Ordinary General Meeting called to approve the annual financial statements for the fiscal year ending December 31, 2021</p>
	<p>Mr. Franck Grimaud <i>Member of Valneva SE's Management Board - President & CBO (54 years old)</i></p> <p>***</p> <p>Appointed on May 10, 2013 End of term of office at the Ordinary General Meeting called to approve the annual financial statements for the fiscal year ending December 31, 2021</p>
	<p>Mr. Frédéric Jacotot <i>Member of Valneva SE's Management Board - General Counsel & Corporate Secretary (56 years old)</i></p> <p>***</p> <p>Appointed on March 21, 2017 (with effect as from April 1, 2017) End of term of office at the Ordinary General Meeting called to approve the annual financial statements for the fiscal year ending December 31, 2021</p>
	<p>Mr. David Lawrence <i>Member of Valneva SE's Management Board - Chief Financial Officer (57 years old)</i></p> <p>***</p> <p>Appointed on August 1, 2017 (with effect as from August 7, 2017) End of term of office at the Ordinary General Meeting called to approve the annual financial statements for the fiscal year ending December 31, 2021</p>
	<p>Mr. Wolfgang Bender <i>Member of Valneva SE's Management Board - Chief Medical Officer (66 years old)</i></p> <p>***</p> <p>Appointed on August 1, 2017 (with effect as from September 1, 2017) End of term of office at the Ordinary General Meeting called to approve the annual financial statements for the fiscal year ending December 31, 2021</p>



1.2 Options to subscribe for or purchase shares granted to corporate officers; options to subscribe for or purchase shares exercised by said corporate officers

1.2.1 Options to subscribe for or purchase shares granted by the Company to Management Board members in 2019

None of the Management Board members received stock options to subscribe for or purchase shares during the fiscal year 2019.

1.2.2 Options to subscribe for or purchase shares of the Company exercised by Management Board members in 2019

None of the Management Board members exercised stock options to subscribe for or purchase shares during the fiscal year 2019.



2. INFORMATION CONCERNING NON-OFFICER EMPLOYEES

2.1 Options to subscribe for or purchase shares granted by the Company to non-officer employees of the Valneva Group in 2019

STOCK OPTIONS PLAN 2019 (« ESOP 2019 »)

General Meeting date	June 28, 2018
Management Board decision	September 30, 2019
Number of stock options granted	2,691,510
Strike price	Each new Valneva SE ordinary share will be issued at a strike price of €3.05.
Beneficiaries	The options have been proposed to all employees of the Company and its subsidiaries Valneva Austria GmbH, Valneva Canada Inc., Valneva Scotland Ltd., Valneva Sweden AB, Valneva France SAS and Valneva UK Ltd, other than employees of grade 14 or above. Notwithstanding the foregoing, a nominal amount of options was granted to grade 14 employees of the Company in order to satisfy the requirements of Article L. 225-197-6 of the French Commercial Code.
Exercise window - Conditions of exercise	Plan in force until September 30, 2029. One third (1/3) of the options allocated to the beneficiary employees would become exercisable from September 30, 2020, an additional one third (1/3) of the options allocated to the beneficiary employees would become exercisable from September 30, 2021, and the remainder would become exercisable from September 30, 2022. If one third of an allocation is not a whole number, it shall be rounded down. For each of the above-mentioned tranches, the exercise of options shall be conditioned on the relevant beneficiary employee having been rated not less than "Meet Expectations" (regardless of the sign "+", "=" or "-") in the annual performance appraisal immediately preceding the date when the relevant options become exercisable (the Performance Condition). This condition shall apply to each tranche independently, i.e. a failure to meet the Performance Condition for a given tranche will not affect the vesting of other tranches. If the Performance Condition is not satisfied with respect to any tranche, the options held by the relevant beneficiary employee in that tranche shall lapse without compensation.

2.2 Options to subscribe for or purchase shares of the Company exercised by non-officer employees of the Valneva Group in 2019

None of non-officer employees of the Valneva Group exercised stock options to subscribe for or purchase shares during the fiscal year 2019.

Information relating to the 10 non-officer employees of the Group

Options to subscribe for or purchase shares granted in 2019 by the Company to the 10 non-officer employees of the Group having then being granted the highest number of options	Total number of granted options	Weighted average price (in euros) Basis: strike price for obtaining one Valneva SE ordinary share under the relevant stock plans
	400,000 ⁽¹⁾	3.05
Options to subscribe for or purchase shares exercised in 2019 by the 10 non-officer employees of the Group having then exercised the highest number of options	Total number of exercised options	Weighted average price (in euros)
	0	n.a.

(1) The minimum number of stock options to be taken into account for each employee for calculating this value is 40,000. Six employees having also been granted 40,000 stock options each are not included in this value.

We remain at your disposal to provide you with any further explanations and additional information.

March 30, 2020,

THE MANAGEMENT BOARD