

Australia	
<b>When will I be taxed in relation to my plan benefits?</b>	<p><b>Award:</b> No income tax or social security if the award of a right to receive shares complies with tax deferral rules (including that the right is, among other things:</p> <ul style="list-style-type: none"> <li>• subject to a 'real risk of forfeiture'; <b>or</b></li> <li>• non-transferable and compliant tax deferral wording is included in the offer documents).</li> </ul> <p><b>Vesting:</b> Income tax and employee social security on the tax market value of the shares if the taxing point has not already occurred and subject to the '30 day' rule (see below).</p> <p><b>Transfer to participant:</b> No income tax. No social security.</p> <p><b>Sale by participant:</b> Progressive income tax rates (inclusive of the compulsory Medicare levy) on any capital gains unless the '30 day' rule applies. A 50% discount on the capital gain is available if the shares are held for 12 months or more. Under the '30 day' rule, if the shares are disposed of within 30 days of what would otherwise have been the deferred taxing point, the market value of the Conditional Free Shares/RSUs is subject to income tax on the date of disposal (not the vesting date) and no capital gains tax is payable. Employer tax reporting is required in these circumstances. If the employer is aware that the '30 day' rule applies, it must comply with its reporting obligations on that basis.</p>
<b>What is the maximum rate of income tax payable in relation to my plan benefits?</b>	<p>47% (2024/25) including Medicare levy. Any change in tax rates usually takes effect from 1 July.</p>
<b>Income tax rates</b>	<p>Tax rates are progressive, with a maximum marginal rate of 45% applying to income over AUD190,000. The maximum marginal rate of tax is increased by the compulsory 2% Medicare levy.</p> <p><b>The 2024/25 tax rates and income thresholds are:</b></p> <ul style="list-style-type: none"> <li>• <b>taxable income up to AUD18,200:</b> Nil</li> <li>• <b>taxable income of AUD18,201 to AUD45,000:</b> Nil plus 16% of the excess over AUD18,200</li> <li>• <b>taxable income of AUD45,001 to AUD135,000:</b> AUD4,288 plus 30% of the excess over AUD45,000</li> <li>• <b>taxable income of AUD135,001 to AUD190,000:</b> AUD31,288 plus 37% of the excess over AUD135,000</li> <li>• <b>taxable income from AUD190,001:</b> AUD51,638 plus 45% of the excess over AUD190,000.</li> </ul> <p><b>Note:</b> Individuals may also be subject to the following payments through the income tax system:</p> <ul style="list-style-type: none"> <li>• <b>Medicare levy of 2%</b> (see Employee social security below)</li> <li>• <b>Medicare levy surcharge of up to 1.5%</b> (see Employee social security below); and</li> <li>• <b>Student loan repayment:</b> income from share or cash-based awards may be subject to deductions in relation to compulsory repayment of student loans through the income tax system. The repayment thresholds and rates are progressive and are adjusted annually. In 2024/25, for income over AUD159,664 the repayment rate is 10%. For employees, repayments on cash-based awards will generally be collected through income tax withholding.</li> </ul>
<b>Will my employer withhold income tax in relation to my plan benefits?</b>	<p>No, except where the employee has not provided a tax file number to the employer.</p>

<b>Are my plan benefits subject to social security contributions?</b>	<p>Employee social security (Medicare levy and applicable surcharge) is payable but no employer withholding for the employee social security, except where the employee has not provided a tax file number to the employer.</p> <p>No employer social security (superannuation guarantee contributions).</p>
<b>Employee social security</b>	<p><b>Employee social security (max rate):</b> 2% for Medicare levy. An additional Medicare levy surcharge of up to 1.5% is payable for higher income employees (i.e. employees who have earnings of more than AUD97,000 per year if single or more than AUD194,000 in total as a household) if they do not hold appropriate private medical insurance. The taxable value at settlement of incentive plan awards forms part of taxable income for this purpose.</p> <p><b>Employee social security (cap):</b> no cap.</p>
<b>What is the maximum rate of capital gains tax?</b>	Capital gains are taxed at progressive income tax rates (plus the compulsory Medicare levy, plus the potential Medicare levy surcharge). If an individual holds shares for 12 months or more before sale, only half the gain is subject to tax, after first applying any available capital losses.
<b>What is the maximum tax rate payable on dividends?</b>	Progressive income tax rates (plus the compulsory Medicare levy, plus the potential Medicare levy surcharge). A foreign income tax offset may be available for foreign withholding or income tax paid on the dividend.
<b>Do I have to report any income in relation to the plan to my local tax authority?</b>	<p>The employee must file an individual annual tax return. There is no specific filing by the employee in relation to equity related incentives, the relevant information is included at Label 12 of the participant's regular income tax return. The employer must provide the employee with (as applicable) a PAYG Payment Summary and an ESS Statement setting out the details of taxable events that have occurred during the previous income year in relation to employee share schemes (ESS). Foreign income derived by Australian tax residents is generally liable to Australian tax and disclosable in the supplementary section to the annual income tax return. Capital gains and dividends are also reported on the annual income tax return.</p> <p><b>Report name:</b> Income Tax Return. The return can be filed online. A sample of the tax return can be downloaded from the Australian Taxation Office (ATO) website (<a href="#">here</a>).</p> <p><b>Tax period:</b> 1 July to 30 June.</p> <p><b>Reporting deadline:</b> 31 October (or later if filing through a registered tax agent).</p> <p><b>Payment of tax:</b> any unpaid income tax is generally due 3 weeks after a tax assessment has been issued.</p>

## Tax - Employee Notes - Free shares / RSUs



This summary assumes that you only pay tax in one place. Different rules may apply if you pay tax in different places.

This summary is only a guide. It is limited to a general description of national tax laws and does not address various issues which may impact the tax result, including: local, city, regional, state or other provincial taxes; retention and holding periods; restrictions on the shares; clawback terms and periods; and your own individual circumstances. We do not guarantee any particular tax result. Therefore, we recommend that you consult your own tax advisor regularly to determine your tax position.

The information provided is understood to be correct as of 14 February 2025. Changes in legislation or practice after this date may affect the tax treatment.

This information was provided by Tapestry Insight Limited for information purposes only and on the basis of comprehensive legal disclaimers found in the OnTap Terms and Conditions. It has not been signed off by local lawyers in your country. Tapestry Insight Limited does not accept any liability for any loss caused by reliance upon this information or by acting upon or refraining from acting in reliance upon this information.

© Tapestry Insight Limited 2025