

Tax - Employee Notes



United Arab Emirates	Incentive Plan/LTIP
When will I be taxed in relation to my plan benefits?	<p>Grant: No income tax. No social security.</p> <p>Vesting: No income tax. No social security.</p> <p>Transfer to participant: No income tax. No social security.</p> <p>Sale by participant: No tax on capital gains. No social security.</p>
What is the maximum rate of income tax payable in relation to my plan benefits?	None.
Income tax rates	There is no personal income tax.
Will my employer withhold income tax in relation to my plan benefits?	No
Are my plan benefits subject to social security contributions?	Usually, no social security on share plan income.
Employee social security	<p>Employee social security (max rate): 5% for UAE national employees, where applicable. Employees are also required to contribute to an unemployment scheme. For employees earning more than AED16,000, the unemployment scheme premium is AED10 per month.</p> <p>Employee social security (cap): social security is payable on the employee's Contribution Calculation Salary (CCS), with a deemed maximum CCS amount of AED50,000 per month. Federal Law No. 7 of 1999 for Pension and social security does not explicitly state whether bonus payment or share awards should form part of an employees' salary on which social security contributions are payable. For the avoidance of doubt, a provision could be included in the plan documents stating that incentive awards do not form part of the employee's wages on which social security contributions are payable.</p> <p>Social security is only payable in relation to UAE and GCC nationals (GCC means Gulf Corporation Council and includes the UAE, Kingdom of Saudi Arabia, Kuwait, Qatar, Bahrain and Oman). For GCC nationals working in the UAE, employee contributions are determined in accordance with the social security regulations of their home country.</p>
What is the maximum rate of capital gains tax?	None
What is the maximum tax rate payable on dividends?	None

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Do I have to report any income in relation to the plan to my local tax authority?	No Report name: not applicable. Tax period: not applicable. Reporting deadline: not applicable.
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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 9 February 2026. Changes in legislation or practice after this date may affect the tax treatment.

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