

## Tax - Employee Notes



Spain	Incentive Plan/LTIP
<p><b>When will I be taxed in relation to my plan benefits?</b></p>	<p><b>Grant:</b> No Personal Income Tax (PIT). No social security.</p> <p><b>Vesting:</b> No PIT. No social security.</p> <p><b>Transfer to participant:</b> PIT (remuneration-in-kind) and social security at the moment of the delivery of the shares based on the market value of the shares at the taxable moment.</p> <p><b>Sale by participant:</b> PIT (capital gain) on the difference between the sale value of the shares and the market value at the moment of the delivery. No social security.</p>
<p><b>What is the maximum rate of income tax payable in relation to my plan benefits?</b></p>	<p>54% in the Valencian Community (2026). Any change in tax rates usually takes effect from 1 January.</p>
<p><b>Income tax rates</b></p>	<p>The marginal tax rate for an individual depends on the autonomous region where the taxpayer habitually resides. Currently (2026), the maximum marginal rate in Madrid is 45%, in Catalonia the maximum marginal rate is 50% and, in the Valencian Community, the maximum marginal rate is 54%.</p> <p>The Spanish state PIT withholding rates currently range from 19% to 47%. The amounts withheld and paid to the Treasury by the employer are an advance payment of the employee's final PIT liability, which can be lower or higher, depending on the tax rate in the region where the employee resides.</p> <p>The difference between the amount withheld by the employer and the final tax liability to be paid by the employee or to be refunded by the tax authorities, if the amounts withheld are higher than the employee's final tax liability, is settled by the employee through the filing of a tax return in April to June of the following year.</p>
<p><b>Will my employer withhold income tax in relation to my plan benefits?</b></p>	<p>Yes</p>
<p><b>Are my plan benefits subject to social security contributions?</b></p>	<p>Yes</p> <p>Employee social security.</p> <p>Employer social security.</p> <p>Employer must withhold the employee contribution and pay both employer and employee contributions to the Spanish social security authorities (General Social Security Treasury).</p>
<p><b>Employee social security</b></p>	<p><b>Employee social security (max rate):</b> 6.49%</p> <p><b>Employee social security (cap):</b> the maximum amount which is subject to social security contributions each month is EUR5,101.20 (applicable for 2026).</p> <p><b>As of January 2026,</b> the "Solidarity quota" (Cuota de solidaridad) will be 1.15% for the excess up to 10% of the maximum social security contribution base (First Tranche); 1.25% for the excess between 10% and 50% of the maximum social security contribution base (Second Tranche); and 1.46% for the excess beyond the 50% of the maximum social security contribution base (Third Tranche). In relation to each tranche, the employee will pay 16.6% of the additional cost.</p>

<p><b>What is the maximum rate of capital gains tax?</b></p>	<p>30% (2026).</p> <p>Rates are progressive:</p> <ul style="list-style-type: none"> <li>• Up to EUR6,000: 19%</li> <li>• EUR6,000.01 to EUR50,000: 21%</li> <li>• EUR50,000.01 to EUR200,000: 23%</li> <li>• EUR200,000.01 to EUR300,000: 27%</li> <li>• Over EUR300,000: 30%</li> </ul>
<p><b>What is the maximum tax rate payable on dividends?</b></p>	<p>30% (2026).</p> <p>Rates are progressive, with the maximum rate applying to amounts exceeding EUR300,000.</p>
<p><b>Do I have to report any income in relation to the plan to my local tax authority?</b></p>	<p>An employee is required to file an annual tax return.</p> <p>There is no specific filing in relation to equity related incentives. Such income will be included in the Annual PIT Return as remuneration-in-kind, capital gain or savings income.</p> <p><b>Report name:</b></p> <ul style="list-style-type: none"> <li>• Annual PIT Return (Form 100);</li> <li>• Wealth tax (if applicable) is reported on Form 714 for both tax residents and non-tax residents in Spain; and</li> <li>• Tax on Large Fortunes (if applicable) is reported on Form 718 for both tax residents and non-tax residents in Spain.</li> </ul> <p>Tax forms can be downloaded from the Spanish Tax Authorities' website <a href="#">here</a>.</p> <p><b>Tax period:</b> 1 January to 31 December.</p> <p><b>Reporting deadline:</b> 30 June for both Form 100 and Form 714, and 31 July for Form 718. The returns must be filed between April and the end of June or July (as applicable) of the year following the year during which the employee receives the income.</p> <p>The employee may also be required to file <a href="#">Form 720</a> regarding assets held outside of Spain, if the value of each asset type (shares, insurance, annuities and cryptocurrencies) is at least EUR50,000. Subsequent declarations are required if the value of a group of assets increases by more than EUR20,000 or the assets are sold or cancelled. This tax form can be filed electronically through the Spanish Tax Authorities' website <a href="#">here</a>, between 1 January and 31 March following the end of each tax year, in general terms.</p> <p><b>Payment of tax:</b> any unpaid income tax, capital gains tax and dividend tax, must be paid by the date of filing the tax return. Withholdings that have been (or should have been) made by the employer may be deducted from the PIT due.</p>

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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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