Brazil	
Tax points	**Grant**: No income tax. No social security. **Vesting**: No income tax. No social security. **Transfer to participant**: Income tax and social security on the market value. **Sale by participant**: Capital gains tax. No social security. **Note**: Brazilian tax rules are unclear with respect to the taxation of share plans and the moments of tax should be reviewed on a case-by-case basis. A decision of the Brazilian Superior Court of Justice (STJ) on 11 September 2024, held that share plan income does not form part of employment income and that tax would only be payable on the sale of the shares at capital gains tax rates provided that certain requirements are met. The application of the decision to a particular plan should be checked. It is unclear whether the decision extends to social security.
Income tax (maximum rate)	27.5% (2025) on ordinary income. Any change in tax rates usually takes effect from 1 January.
Income tax rates	Personal income tax rates range between 0% and 27.5% (progressive rates). For personal income, the maximum rate applies to annual income over approximately BRL55,980 (monthly income over BRL4,664.68) (2025).
Employer income tax withholding	Employer withholding will apply if there is a recharge or if the shares are granted by the local employer or payments are made through payroll. This does not apply to the Your Shares plan, so no employer withholdings apply. For Your Shares, none of the above apply, so no employer withholding is required.
Employer social security withholding	Social security may be payable on share-related income where the shares are granted by the local employer, payments are made through payroll or there is a recharge. The recent decision of the STJ may impact the payment of social security on share plan income. If social security is levied, employer and employee social security will be payable and the employer must withhold the employee's contribution. For Your Shares, none of the above apply, so no employer withholding is required.
Employee social security	**Employee social security (max rate)**: 14% (rates from 7.5% to 14%). **Employee social security (cap)**: the 14% rate applies to monthly income from BRL4,190.84 up to BRL8,157.41 (2025).
Employer social security	**Employer social security (max rate)**: • **Social security contributions**: combined rate up to 34.3%:

	○ employer base social security contribution, assessed at a 20% rate (some companies pay this contribution based on gross revenue rather than payroll). If the company is a financial institution, there is an extra rate of 2.5% (total of 22.5%); ○ contribution to the Workers' Accident Insurance (SAT/RAT), adjusted by the Accident Prevention Factor (FAP), ranging from 0.5% to 6%, depending on the kind of activity performed by the company and the level of work accidents occurred in the company; and ○ contributions to third entities, at a total rate ranging from 2.5% to 5.8%, depending on the kind of activity performed by the company; • **Severance pay fund (FGTS)**: 8% levied on all salary, bonuses, incentives and compensatory benefits paid or made available to employees. **Employer social security (cap)**: no cap.
Tax reporting - Individual	As a general rule, the Brazilian individual who receives an income, or any other amounts from foreign sources, is subject to the mandatory monthly payment named "*carnê-leão*". The employee will also usually report to the Brazilian Federal Revenue Office on an annual income tax return. This would cover reporting on income that has been withheld, if paid and reported by the employer (e.g. where the costs are recharged). If shares under an incentive plan are granted directly by the foreign parent company with no recharge, the employee will be responsible for reporting the amount and paying the tax through their annual Income Tax Return. The employee would also report and pay tax on proceeds of sale and dividends in the annual Income Tax Return. The monthly reporting of dividends payments under the '*carnê-leão'* system was abolished from 1 January 2024. The employee is also required to report any foreign assets, if valued at USD1million or more, to the Brazilian Central Bank as at 31 December. Separate quarterly reporting applies to foreign assets valued at USD100million or more. There is no specific filing in relation to equity related incentives. **Report name**: • annual Income Tax Return; and • foreign asset reporting is made electronically through the Central Bank website. **Tax period**:

	• the tax year is 1 January to 31 December; and • foreign assets are reported annually based on the value of the assets on 31 December. **Reporting deadline**: • the annual Income Tax Return must be filed by 31 May of the following year. Returns must be filed either online on the tax authority's website or through the Filing Tax Return Program; and • the foreign asset report must be filed by 5 April. If the employee has foreign assets valued at USD100million or more, the additional quarterly reporting deadlines are 5 June, 5 September and 5 December. **Payment of tax**: tax payments may be made in up to 8 monthly and successive instalments (if the tax due is less than BRL100, it must be paid in a single instalment). The first or single instalment must be paid by the reporting deadline, with additional instalments due by the last business day of each month.
Tax reporting - Employing company	Yes, if withholding is made on behalf of the employee, the employer must report the employees' incentive related income but the filing covers all employee benefits and is not specific to equity related incentives. **Report name:** the Brazilian paying source is required to file tax information through the online reporting system for tax, social security and labour obligations (eSocial) and through the online reporting of tax withholding and other information (EFD-REINF). For tax years up to 31 December 2024, the employer is required to file an annual withholding income tax form (DIRF) but this filing will no longer apply for tax years beginning 1 January 2025 onwards. **Reporting deadline**: from 1 January 2025, all filing of payroll information must take place monthly through eSocial and EFD-REINF. The DIRF report for the tax year ending 31 December 2024 must be filed by the end of the last business day of February 2025. **Payment of tax**:

	• withheld social security contributions must be paid until the 20th day of the month subsequent to the month to which the contributions refer; and withheld income tax must be paid until the last business day of the second ten-day period of the month following the month in which the triggering event occurred.
Malus and clawback - Tax points	The existence of a malus or clawback clause does not affect the tax point for the individual. The individual may be able to claim a refund of taxes already paid but this is a complex procedure under Brazilian law and would likely be challenged by the Brazilian tax authorities.