

Tax - Payroll Guide - Free shares / RSU

Finland	
Tax points	<p>Grant: No income tax. No social security.</p> <p>Vesting: No income tax. No social security.</p> <p>Transfer to participant: Income tax and social security.</p> <p>Sale by participant: Capital gains tax on increase in value since vesting. No social security.</p>
Income tax (maximum rate)	57.15% (2025) highest combined rate, including national, municipal and church tax. Any change in tax rates usually takes effect from 1 January.
Income tax rates	The tax rate for an individual is a combination of national tax, municipal tax and church tax (if applicable). In 2025, the top national tax rate is 44.25% and applies to annual income in excess of EUR150,000. Additional municipal taxes (from 4.7% to 10.9% of taxable income) depend upon the residence of the taxpayer. These national and municipal rates are applicable in mainland Finland, not the province of Åland, where the allocation of tax burden between the rates is different. Some residents also pay church tax of between 1% and 2.25%. The highest combined tax rate is 57.15%. In Helsinki, if the individual is a member of the Evangelical-Lutheran church, the maximum tax rate is currently 50.55%.
Employer income tax withholding	Yes
Employer social security withholding	<p>Yes</p> <p>Employee social security.</p> <p>Employer social security.</p> <p>Employer must withhold the employee contribution.</p>
Employee social security	<p>Employee social security: 9.64% to 11.14% (combined amounts):</p> <ul style="list-style-type: none"> • Sickness insurance premium: combined 1.90% (daily allowance premium of 0.84% (0.00% if income is less than EUR16,862) and Medicare premium of 1.06%); • Medicare premium on pension income and social benefits (not assessed for ordinary salary income subject to sickness insurance premium): 1.45%; • Pension insurance contribution: 7.15% (aged 17 to 52 years or 63 to 68 years) and 8.65% (aged 53 to 62 years); • Unemployment insurance contribution: 0.59% (employees aged 18 to 64). <p>Employee social security (cap): no cap.</p>

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	<p>Note: under specific conditions, share related income will only be subject to the Medicare premium of 1.45% (see 'Tax beneficial treatment' section).</p>
Employer social security	<p>Employer social security: 20.81% (average combined amounts):</p> <ul style="list-style-type: none"> • Health insurance contribution: 1.87%; • Pension insurance contribution: 17.38% (on average); • Unemployment insurance contribution (employees aged 18 to 64): 0.20% for the first EUR2,455,000 of gross salaries and 0.80% for the portion of the annual gross salaries exceeding EUR2,455,000; • Group life insurance premium: 0.06% (on average); • Accident Insurance premium: 0.7% (on average). <p>Employer social security (cap): no cap.</p> <p>Note: under specific conditions, share related income will be exempt from employer social security (see 'Tax beneficial treatment' section).</p>
Tax reporting - Individual	<p>Yes, the employee must file an annual return. There is no specific filing in relation to equity related incentives.</p> <p>The employee must report any foreign held assets to the tax authorities.</p> <p>Report name: pre-completed Annual Income Tax Return. Capital gains and dividends are reported on the same return. Foreign held assets are reported with the tax return. The return can be filed online or in paper form. The tax return can be downloaded from the website here.</p> <p>Tax period: Calendar year.</p> <p>Reporting deadline: typically, at the beginning of May following the tax period. Deadline varies slightly every year. Certain groups of individuals have their deadline in April.</p> <p>Payment of tax: any unpaid income tax is due by the end of January following the end of tax period, if the taxpayer is to avoid any late payment interest. The final residual taxes based on the tax assessment are due by August-October or September-November following the end of tax period. There are two instalments if the amount of unpaid income tax exceeds EUR170. Capital gains tax and dividend tax are due by the same date. The due dates for any unpaid income taxes are individual and the dates are stated on the personal tax return document.</p>

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Tax reporting - Employing company	<p>The employer must report the employees' incentive related income but the filing covers all employee benefits and is not specific to equity related incentives.</p> <p>Report name: since 1 January 2019, employers are required to report compensation (e.g. wages, fringe benefits, fees and other earned income) to the National Income Register (<i>tulorekisteri</i>), the electronic database of income information, located here. This report replaces the previous monthly and annual information returns. The employer must deliver a salary record payslip (<i>palkkalaskelma</i>) to employees by the date of payment of the compensation.</p> <p>For pre-2019 income, information on reporting can be found on this website here.</p> <p>Reporting deadline: the report to the National Income Register must be filed within 5 days of payment of the compensation.</p> <p>Payment of tax: withheld tax and social security contributions are generally paid by the 12th day of the month following the dates of payment of the compensation.</p>
Malus and clawback - Tax points	<p>The existence of a malus or clawback clause does not affect the tax point for the individual.</p>