

## Tax - Payroll Guide - Free shares / RSU

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| <b>Tax points</b>                | <p><b>Grant:</b> No income tax. No social security.</p> <p><b>Vesting:</b> Income tax and social security.</p> <p><b>Transfer to participant:</b> Box 3 income tax may apply. No social security.</p> <p><b>Sale by participant:</b> Box 3 income tax may apply on proceeds of sale received. No social security.</p>   |
| <b>Income tax (maximum rate)</b> | 49.50% (2025). Any change in tax rates usually takes effect from 1 January.   |
| <b>Income tax rates</b>          | <p>Income is divided into three boxes and each is taxed differently.</p> <p><b>Box 1</b> covers employment income (including income received under an employee incentive plan) and business profits of self-employed persons. Income in Box 1 is taxed at progressive rates up to 49.50%. From 2025, there are three brackets:</p> <ul style="list-style-type: none"> <li>• 35.82% which includes national/employee social security (see 'Employee social security' section) for income through EUR38,441;</li> <li>• 37.48% for income over EUR38,441 up to EUR76,817; and</li> <li>• 49.50% for income over EUR76,817.</li> </ul> <p>In certain cases, a surcharge applies. For example, 'special rate' is to be applied on stock-based compensation. This is not an explicit rate in a table but a combination of the ordinary income tax withholding rates and an additional uplift percentage, because of a reduction of the individual tax discount. The 'special rate' percentage that should be applied will depend on the employee's previous year's gross income. The resulting maximum withholding rate is 56.01% (49.5% + 6.51%). This percentage applies to earnings between EUR76,818 and EUR139,405 for employees under the retirement age. For annual income over EUR139,405 there is no surcharge and the standard rate of 49.50% applies.</p> <p><b>Box 2</b> covers income (capital gains and dividends) from a substantial interest, at least 5% of the total shares or of a class of shares in a company. In 2025 the rates are:</p> <ul style="list-style-type: none"> <li>• 24.5% on the first EUR 67,804 of income; and</li> <li>• 31% above that.</li> </ul> <p><b>Box 3</b> covers income from savings and investments. Net assets (including shares acquired under an incentive plan minus liabilities) are subject to taxation under Box 3. With regard to shares, this</p> |

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|   | relates to shares that the individual owns and does not include rights to shares under an employee share plan before vesting. Under Box 3, the actual income (including dividend income) or capital gain realised is not taxed but a notional income is deemed to be derived from the net assets (assets less liabilities). The reference date for the value of the net assets is 1 January of the year concerned. The notional income on shares held is 5.88% (1.44% for bank savings accounts). This income is taxed at a flat rate of 36% (2025). Taxation only occurs to the extent the value of the net assets exceeds EUR57,684 (2025) for an individual. In 2028 (delayed from 2027) a new, non-flat rate system of taxation on capital income is expected to take effect, based on actual income from assets rather than a notional rate of return. |
| <b>Employer income tax withholding</b>      | Yes (for income under Box 1).   |
| <b>Employer social security withholding</b> | Yes<br>Employee social security.<br>Employer social security.<br>Employer must withhold the employee contribution.  |
| <b>Employee social security</b>             | <b>Employee social security (max rate):</b> national insurance premium contributions are levied at 27.65% and are withheld at the same time as wage tax (therefore, no additional withholdings for national insurance premiums are required on top of the applicable income tax rate). The national insurance premiums are incorporated in the lowest income tax bracket (in 2025, up to and including EUR38,441), leading to a total withholding of 35.82% (2025). In addition, every employee is required to have a health insurance policy and to pay a nominal premium to their insurance company.<br><br><b>Employee social security (cap):</b> the maximum amount of national insurance contributions in 2025 is EUR10,629 per year (i.e. EUR38,441 x 27.65%).  |
| <b>Employer social security</b>             | <b>Employer social security (max rate):</b> employer-paid social security contributions for 2025: <ul style="list-style-type: none"> <li>• <b>Employee insurance premiums:</b> premiums are calculated on the basis of an employee's gross salary. Usually, the following employee insurance premiums will be due (up to an annual income level of approximately EUR75,864): <ul style="list-style-type: none"> <li>○ <i>Wet werk en inkomen naar arbeidsvermogen</i> (Capacity for Work and Income Act) premium (WAO/WIA). A differentiated premium applies, depending on the size of the employer (calculated on the basis of the wages paid by the employer). Small sized companies will pay a premium of 6.28% (excluding a 0.5% surcharge for</li> </ul> </li> </ul>   |

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|  | <p>childcare provisions), medium sized and large sized employers a premium of 7.64%. The employer also pays a sector premium depending on the type of industry in which it operates; and</p> <ul style="list-style-type: none"> <li>○ <i>Werkloosheidswet</i> (Unemployment Act) premium (WW) of 2.74% for all employees with an indefinite period of time contract and fixed working hours; and 7.74% for all other (flexible) contracts;</li> <li>• <b>Zorgverzekeringswet (Healthcare Insurance Act) premium (ZVW):</b> generally, the employer pays a premium of (in principle) 6.51% up to an annual income level of approximately EUR75,684.</li> </ul> <p><b>Employer social security (cap):</b> premiums are assessed on employee's salary up to a maximum annual income level of approximately EUR75,684 (2025).</p>  |
| <b>Tax reporting - Individual</b>        | <p>Yes, income tax is payable on the value of the shares awarded under an incentive plan. Tax on income in Box 1 (employment income) is withheld and paid by the employer. Tax on income in Box 2 (income from a substantial interest) and Box 3 (income from savings and investments) is payable through the individual's tax return. The employee must report all income which, under certain circumstances, may include capital gains, in their income tax return (Box 1, 2 and 3 income). Withheld income tax (i.e. Box 1) can be credited against any other income tax payable by the individual.</p> <p><b>Report name:</b> Annual Income Tax Return (<i>aangifte inkomstenbelasting</i>). The return can be filed online. The tax return can be downloaded from the website <a href="#">here</a>. Please note, the URL for this website can change from year to year. The general site through which the filing can be made is <a href="#">here</a>.</p> <p><b>Tax period:</b> 1 January to 31 December.</p> <p><b>Reporting deadline:</b> 1 May of the following year (extensions are available).</p> <p><b>Payment of tax:</b> any unpaid tax is due within 6 weeks after the date of issuance of the relevant (preliminary) income tax assessment.</p> |
| <b>Tax reporting - Employing company</b> | <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>Wage withholding returns and social security payments must be filed monthly.</p>  |

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|  | <p><b>Report name:</b> wage withholding return (<i>aangifte loonheffingen</i>). The return can be filed online. The return can be downloaded from the website <a href="#">here</a>. Please note, the URL for this website can change from year to year. The general site through which the filing can be made is <a href="#">here</a>.</p> <p><b>Reporting deadline:</b> the reporting and paying deadline of Box 1 withholding tax will be within one month after the wage period during which the relevant tax point occurred. Any tax points occurring after the end of the fiscal year will be reported in the following annual tax report.</p> <p><b>Payment of tax:</b> payment deadlines for withholdings are as set out above.</p> |
| <b>Malus and clawback - Tax points</b> | The existence of a malus or clawback clause does not affect the tax point for the individual.  |