

Tax - Payroll Guide - Free shares / RSU

Poland	
Tax points	<p>Grant: No income tax. No social security.</p> <p>Vesting: Income tax. Social security only on employment income.</p> <p>Transfer to participant: No income tax. No social security.</p> <p>Sale by participant: Personal income tax on the gain from the sale of shares on increase in value since vesting. No social security.</p>
Income tax (maximum rate)	32% (2025). Any change in tax rates usually takes effect from 1 January.
Income tax rates	Tax rates are progressive (12% to 32%). The maximum tax rate applies to annual taxable income over PLN120,000. Solidarity tax of 4% applies to annual income over PLN1million.
Employer income tax withholding	<p>Employer withholding will not apply unless the income from the awards is held to be employment income. This is more likely to be the case if the employing company is involved in the implementation and operation of the plan or if there is a recharge (unless the tax authority has confirmed that the income is not employment income).</p> <p>Employer withholding will not be required for Your Shares.</p>
Employer social security withholding	<p>As social security is only payable on employment income, employer withholding will not apply unless the income from the awards is held to be employment income. This is more likely to be the case if the employing company is involved in the implementation and operation of the plan or if there is a recharge (unless the tax authority has confirmed that the income is not employment income).</p> <p>Employer withholding will not be required for Your Shares.</p>
Employee social security	<p>Employee social security and Health Insurance (max rate): contribution rates of 13.71% apply to salaries up to the cap of PLN260,190 (2025) and contribution rates of 2.45% apply to salaries above this cap.</p> <p>The employee also pays a 9% compulsory health insurance contribution which is uncapped and cannot be deducted.</p> <p>Employee social security (cap): see above.</p>
Employer social security	<p>Employer social security (max rate): contribution rates of 19.48% to 22.14% apply to salaries up to the cap of PLN260,190 (2025) and contribution rates of 3.22% to 5.88% apply to salaries above this cap.</p> <p>In exceptional cases, the above maximum limits may be increased with respect to individual employers.</p> <p>Employer social security (cap): see above.</p>

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Tax reporting - Individual	<p>Yes, the employee must report any income from awards, dividends, and from the sale of shares in their annual tax return.</p> <p>Report name: Annual Tax Return (Form PIT-36, PIT-37 or PIT-38). The return can be filed online. The online tax return forms are available here. The solidarity tax must be reported in a separate tax return.</p> <p>Tax period: 1 January to 31 December.</p> <p>Reporting deadline: tax returns must be filed by 30 April of the following year.</p> <p>Payment of tax: if there is a positive difference between the annual tax due and total amount of advance payments made during the tax year, the employee must pay the tax by 30 April of the following year.</p>
Tax reporting - Employing company	<p>Tax reporting obligations for the employing company will arise only if income received under the plan is classified as employment income. If required, the employer must report the employees' plan related income, together with the report covering all other employee benefits (it is specific to equity related incentives).</p> <p>Report name: income paid to, and tax advances withheld for, each employee are reported annually on Form PIT-11. Additionally, tax advances withheld for employees are reported annually on Form PIT-4R.</p> <p>PIT-11 and PIT-4R must be filed online to the competent tax office. The returns are available here.</p> <p>Reporting deadline:</p> <ul style="list-style-type: none"> • For PIT-4R and PIT-11 (submitted to tax office): by 31 January in the year following the reporting year; • For delivery of PIT-11 (to employees): by the end of February in the year following the reporting year. <p>Payment of tax: the employer is required to remit the full amount of the tax withheld during each month, by the 20th day of the following month.</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>