

## SYENSQO

### BELGIUM: TAX SUMMARY: ESPP

*This note applies to Purchased Shares purchased, Matching Share Awards and Free Share Awards granted under the ESPP, is correct as at July 2024 and assumes that the employee is Belgian tax resident and has been at all times from the purchase of the Purchased Shares, grant of Matching Share Awards and Free Share Awards to the vesting of a Matching Share Award or Free Share Award or sale of shares.*

***This information is provided for general guidance only and the actual tax consequences will depend on your own individual circumstances. If you are in any doubt as to your tax position, you should seek independent tax advice.***

#### **EMPLOYEE**

##### **1. Will I be taxed when I buy Purchased Shares?**

Yes—you will need to pay a Belgian stock exchange tax when you buy your shares at a rate of 0.35% (capped at €1,600 per person).

##### **2. Will I be taxed when I am granted the Matching Share Award or Free Share Award?**

No – you will not have to pay any personal income tax or social security contributions when you are granted a Matching Share Award or Free Share Award.

##### **3. Will I be taxed when the Matching Share Award or Free Share Award vests?**

Yes – you will need to pay personal income tax and social security contributions on the market value of the shares you receive on vesting of your Matching Share Award or Free Share Award. Your employer will withhold income tax and social security contributions due.

For the 2025 tax year:

1. income tax rates are 25% for income between €0 and €15,820, 40% for income between €15,820 and €27,920, 45% for income between €27,920 and 48,320 and 50% for income above €48,320 (although a tax allowance of €10,570 applies);
2. Belgian municipalities surcharge on income tax due applies at rates of 0% - 10%); and
3. employee social security contributions apply at the rate of 13.07%.

##### **4. Will I be taxed when I sell my shares?**

Yes—you will need to pay a Belgian stock exchange tax when you sell your shares at a rate of 0.35%.

In addition, there is a low risk that the gain realised on the sale of your shares may be subject to a tax and surcharges on miscellaneous income if it derives from an operation that is to be regarded as falling outside the scope of the "*normal management of one's private assets*" or even be taxed as professional income at rates varying between 25% and 50% (plus local surcharges). This is not expected to apply but please consider taking your own tax advice.

##### **5. Will I be taxed when I receive my dividends?**

Dividends will be paid on your Purchased Shares and they are subject to tax when they are paid.

There is a tax-free allowance of up to €833 (for income year 2024) for dividends received from all sources. For the 2024 tax year, dividends will be subject to tax at a rate of 30%.

If there is a Belgian financial intermediary through whom the dividend is paid (even if reinvested in further shares), they will withhold the tax. If there is no Belgian financial intermediary for the purpose of the dividends, you will have to declare the tax due in your annual tax return and pay the tax to the Belgian tax authority.