

SYENSQO

USA: 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 August 2024 and assumes that the employee is USA tax resident and has been at all times from the purchase of the Purchased Shares and 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?

No – you will not have to pay any income tax or social security contributions when you buy Purchased Shares.

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 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 income tax, social security contributions, wage income tax and medicare tax on the market value of the shares you receive on vesting of your Matching Share Award or your Free Share Award. Your employer will withhold the income tax, social security contributions, wage income tax and medicare tax due. However, you will need to report the value of shares you receive under the ESPP on your annual wage statement (Form W-2) for the year in which you receive the shares.

For the 2024 tax year:

1. income tax applies at rates of 10% - 37%;
2. social security contributions apply at a rate of 6.2% on the first \$168,600 (approx. EUR 153,135);
3. medicare tax at a rate of 1.45%; and
4. additional medicare tax applies at a rate of 0.9% (if your income exceeds \$200,000 (approx. EUR 181,655) or \$250,000 (approx. EUR 227,068) for married couples).

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

If the sale proceeds on the sale of your shares exceed the market value of the shares on the date you received them, you will need to pay capital gains tax on the difference between the market value of the shares (i) at vesting for Matching Share Awards and Free Share Awards and (ii) at purchase for Purchased Shares, and the market value of the shares on sale.

Capital gains are taxed at rates of 0% - 37%, depending on how long you have held the shares.

Your employer will not withhold any capital gains tax due and it is your responsibility to pay and report this the Internal Revenue Service.

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

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

Dividends received under the ESPP will be taxed at capital gains rates (see rates above).

Your employer will not withhold any domestic tax (including any capital gains tax) due and it is your responsibility to pay and report this to the Internal Revenue Service in your self-assessment return.

However, the plan administrator may withhold Belgian taxes at up to 30% on the dividend payments. If any tax is withheld in Belgium in respect of your dividend, then to avoid any double taxation, a tax deduction or tax credit may be available if your country has a double tax treaty with Belgium. You will need to apply to your tax authority to claim the tax deduction or tax credit.