

SOLVAY

NETHERLANDS: 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 May 2022 and assumes that the employee is Dutch 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?

No – you will not have to pay any Dutch wage tax or national insurance contributions (NICs) 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 Dutch wage tax or NICs 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 Dutch wage tax and NICs on the market value of the shares you receive on the vesting of your Matching Share Award or your Free Share Award. Your employer will withhold the Dutch wage tax and NICs due.

For the 2022/23 tax year:

1. Dutch wage tax rates are progressive up to 49.50%; and
2. employee NICs form part of the Dutch wage tax levy with the maximum amount of national social security contributions due being approx. €9,808.

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

The deemed return of the taxable value of the shares on 1 January of each calendar year calculated at progressive rates from 1.82% to 5.53% will be subject to tax at a flat rate of 31%.

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

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

Dividends will be paid on your Purchased Shares. The deemed return of the taxable value of the dividends on 1 January of each calendar year calculated at progressive rates from 1.82% to 5.53% will be subject to tax at a flat rate of 31%.

Your employer will not withhold any tax due on dividends and it is your responsibility to pay and report this.

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.