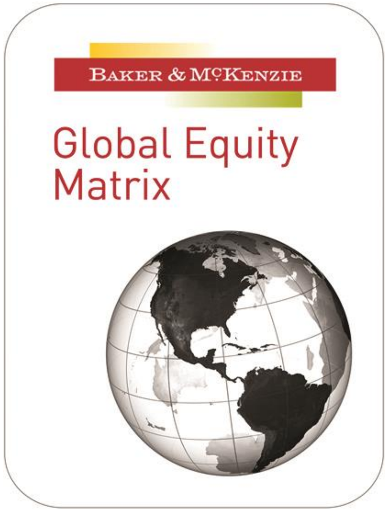
Cash Awards, Employee Stock Options, Stock Purchase Rights, Restricted Stock and Restricted Stock Units

Argentina	Denmark	Israel	Peru	Sweden
Australia	Egypt	Italy	Philippines	Switzerland
Austria	Finland	Japan	Poland	Taiwan
Belgium	France	Korea	Portugal	Thailand
Brazil	Germany	Malaysia	Russia	Turkey
Canada	Hong Kong	Mexico	Saudi Arabia	Ukraine
Chile	Hungary	Morocco	Singapore	United Arab Emirates
China	India	Netherlands	Slovak Republic	United Kingdom
Colombia	Indonesia	New Zealand	South Africa	United States
Czech Republic	Ireland	Norway	Spain	Vietnam



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At Your Fingertips – Global Equity Services Resources

The Global Equity Matrix App
Information on the key compliance issues for equity awards, covering tax and securities, exchange control, labor and data privacy issues in 50 countries. Available for download on your iPhone, iPad or Android smartphone. Click here for details.

The Global Equity Equation Blog
Visit our blog today for the latest developments in global equity-based compensation. www.globalequityequation.com

The information in this matrix should not be relied upon for tax/legal advice and is not a substitute for obtaining such advice. Although every effort has been made to provide an accurate and up to-date summary based on grants to employees under a public company's plan, laws applicable to stock plans change frequently and are often unclear in their application to awards offered by a company in another country. Also, specific plan features, structure of legal entities, industry of issuer, types of shares used, specific tax rulings obtained, etc. may affect legal and tax results. Specifically, depending on the terms of the plan/grant, the tax/legal consequences can vary greatly (*e.g.*, dividend equivalent payments may accelerate the taxable event for RSUs). Accordingly, reliance on this information for answering specific tax/legal questions is not advised. Instead, the information in this matrix should be used only as a guide to potential tax/legal issues/consequences, and you should seek legal advice from Baker & McKenzie's Global Equity Services group legal issues/consequences, and you should seek legal advice from Baker & McKenzie's Global Equity Services group (ges@bakermckenzie.com) before making grants.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Argentina **OPTION**	Tax on spread at exercise. Tax on sale. A bank tax may apply to transfer of funds made in connection with employee stock plans. A personal assets tax may apply to shares acquired under an employee stock plan. A stamp tax may apply to equity award agreements.	Allowed if subsidiary reimburses parent under a written agreement. Cash-netting to effect the reimbursement may not be permissible.	**Income Tax**: Yes, employers required to withhold and report the taxable amount at the time of exercise. **Social Insurance Contributions:** Employee and employer social insurance contributions are required. Employee social insurance contributions are subject to a monthly income ceiling. Employer social insurance contributions are not subject to income ceilings. Employer has to withhold employee's contributions.	No, if private placement procedures are followed.	Restrictions on the ability to purchase foreign currency and remit funds abroad for the purchase of shares have been lifted pursuant to a Central Bank communication issued in December 2015. Any outward remittances are subject to a monthly limit of USD5 million per individual/local entity, and in order to effect the foreign fund transfer from Argentina, certain steps must be taken. For transfers into Argentina, no prior approval is necessary; however, certain exchange control requirements may apply. The transferor of the funds is responsible for compliance with exchange control restrictions.	Significant entitlement issues, especially if grants made regularly/frequently.	Written consent from employees for the transfer of data abroad is strongly recommended. Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Argentina **ESPP**	Tax on discount at purchase. Tax on sale. A bank tax may apply to transfer of funds made in connection with employee stock plans. A personal assets tax may apply to shares acquired under an employee stock plan. A stamp tax may apply to equity award agreements.	Allowed if subsidiary reimburses parent under a written agreement. Cash-netting to effect the reimbursement may not be permissible.	**Income Tax**: Yes, employers required to withhold and report the taxable amount at purchase. **Social Insurance Contributions:** Employee and employer social insurance contributions are required. Employee social insurance contributions are subject to a monthly	No, if private placement procedures are followed.	Restrictions on the ability to purchase foreign currency and remit funds abroad for the purchase of shares have been lifted pursuant to a Central Bank communication issued in December 2015. Any outward remittances are subject to a monthly limit of USD5 million per individual/local entity, and in order to effect the foreign fund transfer from Argentina, certain	Significant entitlement issues, especially if grants made regularly/frequently.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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			income ceiling. Employer social insurance contributions are not subject to income ceilings. Employer has to withhold employee's contributions.		steps must be taken. For transfers into Argentina, no prior approval is necessary; however, certain exchange control requirements may apply. The transferor of the funds is responsible for compliance with exchange control restrictions. * Payroll deductions are technically not permitted in connection with an ESPP.		
Argentina **RS/RSU**	Tax at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Tax on sale. A bank tax may apply to transfer of funds made in connection with employee stock plans. A personal assets tax may apply to shares acquired under an employee stock plan. A stamp tax may apply to equity award agreements.	Allowed if subsidiary reimburses parent under a written agreement. Cash-netting to effect the reimbursement may not be permissible.	**Income Tax:** Yes, employers required to withhold and report the taxable amount at the time of the taxable event. **Social Insurance Contributions:** Employee and employer social insurance contributions are required. Employee social insurance contributions are subject to a monthly income ceiling. Employer social insurance contributions are not subject to income ceilings. Employer has to withhold employee's contributions.	No, if private placement procedures are followed.	For transfers into Argentina, no prior approval is necessary; however, certain exchange control requirements may apply. The transferor of the funds is responsible for compliance with exchange control restrictions.	Significant entitlement issues, especially if grants made regularly/frequently.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Argentina **Cash Award**	Likely taxed at payment. Taxable amount is amount of the cash payment. A bank tax may apply to transfer of funds made in connection with employee stock plans. A personal assets tax may apply to shares acquired under an employee stock plan. A stamp tax may apply to equity award agreements.	Generally yes, because the subsidiary bears the cost of awards. Written agreement recommended. Cash-netting to effect the reimbursement may not be permissible.	**Income Tax:** Yes, employers required to withhold and report the taxable amount at the time of payment. **Social Insurance Contributions:** Employee and employer social insurance contributions are required. Employee social insurance contributions are subject to a monthly income ceiling. Employer social insurance contributions are not subject to income ceilings. Employer has to withhold employee's contributions.	No.	No.	Significant entitlement issues, especially if grants made regularly/frequently.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Australia **OPTION**	<u>Options granted on or after July 1, 2015:</u> Tax will generally be at exercise unless the shares issued at exercise are subject to genuine restrictions on disposal, in which case tax is deferred until the restrictions lapse. An earlier tax event can occur at termination of employment, provided the employee does not forfeit the option upon termination. If taxed at exercise, the taxable amount will be the difference between the market value of the shares at exercise (as determined under	Allowed if the subsidiary reimburses the parent under a written reimbursement agreement.	**Income Tax:** Employers required to report taxable events to the tax authorities and the employee after the end of the tax year (June 30). Withholding required only if employee tax ID not provided. **Social Insurance Contribution:** Yes, Medicare Levy (including possibly a Medicare Levy surcharge) and Temporary Budget Repair Levy (employee only). No	Prospectus generally required unless exempted under Class Order 14/1000 (public companies), Class Order 14/1001 (private companies), statutory exemption or specific relief obtained. If Class Order relied on, notice filing must be completed. <u>Contact Baker & McKenzie for more details.</u> Shareholders of Australian entity may have to approve special termination benefits offered to directors of the Australian entity.	Reporting required for cash transactions in excess of A$10,000 and international fund transfers of any amount. Usually handled by the bank.	Generally not, if right to terminate plan is reserved in writing.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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	Australian tax law) and the exercise price. <u>Options granted between July 1, 2009 and June 30, 2015</u>: Awards are subject to tax at grant, unless they are subject to a "real risk of forfeiture." Awards that are subject to vesting conditions should be considered subject to a "real risk of forfeiture." Provided the award is considered to be subject to a real risk of forfeiture at grant, tax will generally be at the earliest of vesting, termination of employment, or 7-year anniversary of date of grant. The taxable amount will be the market value of the options on the relevant date (as determined under Australian tax law). There is a risk that time-based awards that do not have a minimum initial vesting period of six months (where overall vesting period is three years or less) or twelve months (where overall vesting period exceeds three years) will not be considered subject to a real risk of forfeiture at grant. <u>Options granted prior to July 1, 2009</u>: If the option is a		withholding obligation for levies/surcharge. Payroll tax (employer only) applies to option income in all Australian states and territories. Generally, payroll tax due at grant, although in all states and territories, employer may elect to pay tax at exercise of options.				

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	qualifying right (which generally is the case), the employee may elect to be taxed on the market value of the option (as determined under Australian tax law) on the date of grant. Otherwise, options that are qualifying rights are generally taxed on the spread at exercise (as determined under Australian tax law). Non-qualifying rights are taxed at grant. Tax on sale. If shares are held for at least 12 months, 50% of capital gain excluded from tax. NOTE: Generally, if sale occurs within 30 days of taxable event, sale will be considered relevant taxable event and sale price will be used in determining the taxable amount, with no additional gain/loss on the sale.						
Australia **ESPP**	Generally, tax at purchase on the difference between the purchase price and market value of the shares at purchase (as determined under Australian tax law). Tax on sale. If shares are held for at least 12 months, 50% of capital gain excluded from tax. NOTE: Generally, if sale occurs within 30 days of the taxable event, sale will be	Allowed if the subsidiary reimburses the parent under a written reimbursement agreement.	**Income Tax:** Employers required to report taxable events to the tax authorities and the employee after the end of the tax year (June 30). Withholding required only if employee tax ID not provided. **Social Insurance Contribution:** Yes, Medicare Levy	Prospectus generally required unless exempted under Class Order 14/1000 (public companies), Class Order 14/1001 (private companies), statutory exemption or specific relief obtained. If Class Order exemption relied on, notice filing must be completed and payroll deductions must be held in separate bank account. Contact Baker & McKenzie for more details. Shareholders of Australian entity may have to approve special termination benefits offered to directors of the Australian entity.	Reporting required for cash transactions in excess of A$10,000 and international fund transfers of any amount. Usually handled by the bank.	Generally not, if right to terminate plan is reserved in writing.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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	considered relevant taxable event and sale price will be used in determining the taxable amount, with no additional gain/loss on the sale.		(including possibly a Medicare Levy surcharge) and Temporary Budget Repair Levy (employee only). No withholding obligation for levies/surcharge. Payroll tax (employer only) applies to ESPP benefits in all Australian states and territories. Generally, payroll tax due at grant, although in all states and territories, employer may elect to pay tax at purchase of shares under ESPP.				
Australia **RS/RSU**	Awards granted on or after July 1, 2009: Awards are subject to tax at grant, unless they are subject to a "real risk of forfeiture" and certain other conditions are met. Awards that are subject to vesting conditions should be considered subject to a "real risk of forfeiture." Provided the award is considered to be subject to a real risk of forfeiture at grant and the other conditions are met, tax will generally be at the earliest of vesting, termination of employment, or 7-year anniversary of date of grant (for awards granted on or after July 1, 2015, tax will be at earliest of vesting, termination of	Allowed if the subsidiary reimburses the parent under a written reimbursement agreement.	**Income Tax:** Employers required to report taxable events to the tax authorities and the employee after the end of the tax year (June 30). Withholding required only if employee tax ID not provided. **Social Insurance Contribution:** Yes, Medicare Levy (including possibly a Medicare Levy surcharge) and Temporary Budget Repair Levy (employee only). No withholding obligation for levies/surcharge. Payroll tax (employer only) applies to RS/RSU benefits in all Australian states and territories.	Prospectus generally required unless exempted under Class Order 14/1000 (public companies), Class Order 14/1001 (private companies), statutory exemption or specific relief obtained. If Class Order relied on, notice filing must be completed. Contact Baker & McKenzie for more details. Shareholders of Australian entity may have to approve special termination benefits offered to directors of the Australian entity.	Reporting required for cash transactions in excess of A$10,000 and international fund transfers of any amount. Usually handled by the bank.	Generally not, if right to terminate plan is reserved in writing.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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	employment or 15-year anniversary of date of grant). The taxable amount will be the market value of the shares on the relevant date (as determined under Australian tax law). There is a risk that time-based awards that do not have a minimum initial vesting period of six months (where overall vesting period is three years or less) or twelve months (where overall vesting period exceeds three years) will not be considered subject to a real risk of forfeiture at grant. Tax on sale. If shares are held for at least 12 months, 50% of capital gain excluded from tax. NOTE: Generally, if sale occurs within 30 days of taxable event for RS/RSU, sale will be considered relevant taxable event and sale price will be used in determining the taxable amount, with no additional gain/loss on the sale.		Generally, payroll tax due grant, although in all states and territories, employer may elect to pay tax at vesting of RS/RSUs.				
Australia **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Withholding required including Medicare Levy, (and, if applicable, Surcharge and the Temporary Budget Repair Levy.	Although cash-settled awards are considered as derivatives subject to disclosure, licensing and prospectus requirements, relief is likely available under the Australian Securities and Investment Commission Class Order 14/1000 or Class Order 14/1001.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to

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			Subsidiary must also report all taxable events to the Australian Tax Office on an annual basis on a prescribed form. **Social Insurance Contributions:** Yes, the employer must make quarterly superannuation contributions.			consult works council, etc.	determine any other requirements (such as notification or registration obligations).
Austria **OPTION**	Generally, tax on spread at exercise. Favorable tax regimes may apply provided certain requirements are met. No tax on sale if shares are acquired before January 1, 2011 and certain other conditions are met. Shares acquired on or after January 1, 2011 will be subject to tax at sale.	Allowed if subsidiary reimburses parent under a written reimbursement agreement.	**Income Tax:** Generally yes. **Social Insurance Contribution:** Yes, for both the employee and the employer unless employee's contribution ceiling is met. Employer has to withhold employee's contributions.	None. The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to rely on this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Austria. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.	Minor reporting requirements may apply.	Risk that awards will be counted for purposes of determining severance indemnities, termination pay, or other calculation of employee end of service benefits. Written disclaimer recommended to reduce risk. Discrimination against part-time employees is generally prohibited. Works council (if any) may need to be informed before implementation of the plan. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Austria **ESPP**	Generally, tax on discount at purchase. Favorable tax regimes may apply provided certain requirements are met. No tax on sale if shares are acquired before January 1, 2011 and certain other conditions are met. Shares acquired on or after January 1, 2011 will be subject to tax at sale.	Allowed if subsidiary reimburses parent under a written reimbursement agreement.	**Income Tax:** Generally yes. **Social Insurance Contribution:** Yes, for both the employee and the employer unless employee's contribution ceiling is met. Employer has to withhold employee's contributions.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in Austria. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies.	Minor reporting requirements may apply. *Payroll deductions under an ESPP have to be held in an interest-bearing account unless the employee waives his/her right to be paid interest.	Risk that benefits will be counted for purposes of determining severance indemnities, termination pay, or other calculation of employee end of service benefits. Written disclaimer recommended to reduce risk. Discrimination against part-time employees is generally prohibited. Works council (if any) may need to be informed before implementation of the plan. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Austria **RS/RSU**	Generally, tax at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Favorable tax regimes may apply provided certain requirements are met. No tax on sale if shares are acquired before	Allowed if subsidiary reimburses parent under a written reimbursement agreement.	**Income Tax:** Generally yes. **Social Insurance Contribution:** Yes, for both the employee and the employer unless employee's contribution ceiling is met. Employer has to withhold employee's	Generally, none. The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to rely on this prospectus in the other EU or EEA member states.	Minor reporting requirements may apply.	Risk that awards will be counted for purposes of determining severance indemnities, termination pay, or other calculation of employee end of service benefits. Written disclaimer recommended to reduce risk. Discrimination against part-time employees is generally prohibited. Works council (if any) may need to be informed	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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	January 1, 2011 and certain other conditions are met. Shares acquired on or after January 1, 2011 will be subject to tax at sale.		contributions.	The EU Prospectus Directive has been fully implemented in Austria. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.		before implementation of the plan. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Austria **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of award. Written agreement strongly recommended.	**Income Tax:** Generally yes. **Social Insurance Contribution:** Yes, for both the employee and the employer unless employee's contribution ceiling is met. Employer has to withhold employee's contributions.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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Belgium **OPTION**	Options affirmatively accepted within 60 days of offer will be taxed on 60th day after offer. Options affirmatively accepted after 60 days from offer will be taxed on spread at exercise. Under Belgium law, "offer" is deemed to occur once the employee is informed of the essential terms of the grant (typically when grant documents are distributed). The offer date may differ from the actual grant date. For options affirmatively accepted within 60 days of offer, favorable tax treatment may be available if employees undertake not to exercise option for three full calendar years from grant. No tax on sale of shares.	May be allowed if subsidiary reimburses parent; however, will likely trigger social insurance contribution requirement and may increase risk of withholding and reporting obligation. Based on recent case law, a substantial risk exists that reimbursement would be considered a capital loss on shares, which is not deductible.	**Income Tax:** No withholding required unless Belgian entity is a branch of the issuer or is involved in the grant of the awards or the delivery of the shares. Not certain if reimbursement would be considered involvement sufficient to trigger withholding obligation. Reporting obligation exists for options accepted within 60 days of offer. For options accepted after 60 days of offer, reporting is required only to the extent a withholding obligation exists **Social Insurance Contribution:** For options accepted within 60 days of offer, social insurance contributions may be due if (1) the option is "in the money" at the time of the offer; or (2) the option provides a certain or stated benefit to the optionee. Social insurance may be due where the Belgian entity is involved in the grant of awards (including determining eligibility for and/or the size of awards).	None. The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to rely on this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Belgium. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.	None.	Generally no, if employees sign certain disclaimer language. Discrimination against union or part-time employees is prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Belgium has adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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			Otherwise, generally no social insurance contributions are due unless Belgian entity is a branch of the issuer or reimburses parent, or parent has granted award to fulfill obligation of Belgian entity.				
Belgium **ESPP**	Tax on discount at purchase. Favorable tax treatment may be available if employees undertake not to sell shares for two years from acquisition (likely also necessary to impose a block on the sale of the shares during such period). No tax on sale of shares.	May be allowed if subsidiary reimburses parent; however, will likely trigger social insurance contribution requirement and may increase risk of withholding and reporting obligation. Based on recent case law for options, a risk exists that reimbursement would be considered a capital loss on shares, which is not deductible.	**Income Tax:** No withholding required unless Belgian entity is a branch of the issuer or is involved in the grant of the awards or the delivery of the shares. Not certain if reimbursement would be considered involvement sufficient to trigger withholding obligation. Currently, reporting is required only to the extent a withholding obligation exists. **Social Insurance Contribution:** Social insurance may be due where the Belgian entity is involved in determining eligibility for plan participation. Otherwise, generally no social insurance contributions are due unless the Belgian entity is a branch of the issuer or reimburses parent, or parent has granted	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in Belgium. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies. For companies that file a prospectus	None. *Accumulated payroll deductions should be held by a financial institution in an account in the name of the participants with the funds attributable to each employee.	Generally no, if employees sign certain disclaimer language. Discrimination against union or part-time employees is prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Belgium has adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.,* accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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			purchase rights to fulfill obligation of Belgian entity.	in or passport a prospectus to Belgium, additional reporting requirements apply.			
Belgium **RS/RSU**	Tax at grant for RS (though argument can be made for vesting as taxable event); tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Favorable tax treatment may be available if employees undertake not to sell shares for two years from acquisition (likely also necessary to impose a block on the sale of the shares during such period). No tax on sale of shares.	May be allowed if subsidiary reimburses parent; however, will likely trigger social insurance contribution requirement and may increase risk of withholding and reporting obligation. Based on recent case law for options, a risk exists that reimbursement would be considered a capital loss on shares, which is not deductible.	**Income Tax:** No withholding required unless Belgian entity is a branch of the issuer or is involved in the grant of the awards or the delivery of the shares. Not certain if reimbursement would be considered involvement sufficient to trigger withholding obligation. Currently, reporting is required only to the extent a withholding obligation exists. **Social Insurance Contribution:** Social insurance may be due where the Belgian entity is involved in the grant of awards (including determining eligibility for and/or the size of awards). Otherwise, generally no social insurance contributions are due unless the Belgian entity is a branch of the issuer or reimburses parent, or parent has granted award to fulfill obligation of Belgian entity.	Generally, none. The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to rely on this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Belgium. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.	None.	Generally no, if employees sign certain disclaimer language. Discrimination against union or part-time employees is prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Belgium has adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Belgium **Cash Award**	Tax at payment. Taxable amount is fair market value of the	Generally, yes, because subsidiary bears the costs of	**Income Tax:** Withholding required	None.	None.	Awards paid in cash through local payroll will have increased plan	Written consent from employees for the transfer of data

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	award on the tax event.	award. Written agreement recommended.	if the Belgian entity is involved in the grant of the awards, delivery of the cash or reimburses the issuer. Reporting required if the Belgian entity is involved in the grant of the awards, delivery of the cash or reimburses the issuer. **Social Insurance Contributions:** Social insurance contributions required if the Belgian entity is involved in the grant of the awards (including determining eligibility for and/or the size of awards), delivery of the cash or reimburses the issuer.			entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. Discrimination against union or part-time employees is prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Belgium has adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Brazil OPTION	Likely no tax at exercise, unless the subsidiary reimburses the parent for the cost of the plan or the awards are otherwise treated as part of local compensation. Tax on sale, subject to a significant monthly exclusion.	Generally allowed if subsidiary reimburses parent under a written reimbursement agreement and plan is offered to all Brazilian employees without distinction. As of 2015 (or 2014, if the local subsidiary chooses), a deduction is available for the spread only if the amount is treated as compensation to the employee and is subject to	**Income Tax:** Likely no, unless the subsidiary reimburses the parent for the cost of the plan or the awards are otherwise treated as part of local compensation. With requirement to expense awards in local entity's statutory books (under local IFRS 2 rules), possible that withholding/reporting may be required.	None.	Reimbursement of costs by Brazilian subsidiary may be problematic because commercial bank chosen to handle the remittance may question the transaction and/or request that Central Bank approval be obtained. Cash-netting to remit reimbursement of option costs prohibited. Reporting of shares or other assets held abroad may be	Significant likelihood of vested rights/entitlement claims for options. Options with performance vesting conditions are problematic from a severance and employment law standpoint. Employees should sign specific labor disclaimer and compliance language.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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		withholding and social security contributions. As of calendar year 2015, amounts reimbursed relating to administrators, directors or members of the board of directors of Brazilian subsidiary are deductible In addition, the commercial bank chosen to effect the transaction may require prior exchange control approval for reimbursement, which may be difficult to obtain. (Cash-netting to effect the reimbursement is prohibited.)	**Social Insurance Contribution:** Likely due if local subsidiary reimburses parent or award income considered to be part of local compensation. If due, employer must pay employer social insurance contributions and withhold employee portion of social insurance contributions (subject to monthly contribution ceiling for employee portion only). If no reimbursement and income not considered part of local compensation, uncertain due to recent tax court rulings which reached different conclusions.		required but are employee's obligation.		
Brazil **ESPP**	Likely no tax on discount at purchase, unless the subsidiary reimburses the parent for the cost of the plan or the awards are otherwise treated as part of local compensation. Tax on sale, subject to a significant monthly exclusion.	Generally allowed if subsidiary reimburses parent under a written reimbursement agreement and plan is offered to all Brazilian employees without distinction. As of 2015 (or 2014, if the local subsidiary chooses), a deduction is available for the discount only if the amount is treated as compensation to the employee and is subject to	**Income Tax:** Likely no, unless the subsidiary reimburses the parent for the cost of the plan or the awards are otherwise treated as part of local compensation. With requirement to expense awards in local entity's statutory books (under local IFRS 2 rules), possible that withholding/reporting may be required.	None.	Employees may be required to provide local entity with separate authorization form regarding payroll deductions made under an ESPP to enable local entity to remit payroll deductions out of Brazil. Reimbursement of costs by Brazilian subsidiary may be problematic because commercial bank chosen to handle the remittance may question the	Significant likelihood of vested rights/entitlement claims for ESPP. Employees should sign specific labor disclaimer and compliance language.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		withholding and social security contributions. As of calendar year 2015, amounts reimbursed relating to administrators, directors or members of the board of directors of Brazilian subsidiary are deductible. In addition, the commercial bank chosen to effect the transaction may require prior exchange control approval for reimbursement, which may be difficult to obtain. (Cash-netting to effect the reimbursement is prohibited.)	**Social Insurance Contribution:** Likely due if local subsidiary reimburses parent or award income considered to be part of local compensation. If due, employer must pay employer social insurance contributions and withhold employee portion of social insurance contributions (subject to monthly contribution ceiling for employee portion only). If no reimbursement and income not considered part of local compensation, uncertain due to recent tax court rulings which reached different conclusions.		transaction and/or request that Central Bank approval be obtained. Cash-netting to remit payroll deductions under ESPP or reimbursement of ESPP costs prohibited. Reporting of shares or other assets held abroad may be required but are employee's obligation.		
Brazil **RS/RSU**	Tax at vesting. Taxable amount is fair market value of the shares at vesting. Tax on sale, subject to a significant monthly exclusion.	Generally allowed if subsidiary reimburses parent under a written reimbursement agreement and plan is offered to all Brazilian employees without distinction. As of 2015 (or 2014, if the local subsidiary chooses), a deduction is available for the value of the shares at vesting only if the amount is treated as compensation to	**Income Tax:** Likely no, unless the local subsidiary reimburses parent or RS/RSU income considered to be part of local compensation. With requirement to expense awards in local entity's statutory books (under local IFRS 2 rules), possible that withholding/reporting may be required. **Social Insurance**	None.	Reimbursement of costs by Brazilian subsidiary may be problematic because commercial bank chosen to handle the remittance may question the transaction and/or request that Central Bank approval be obtained. Cash-netting to remit reimbursement of RS/RSU costs prohibited. Reporting of shares or other assets held abroad may be	Significant likelihood of vested rights/entitlement claims for RS/RSU. RS/RSU with performance vesting conditions are problematic from a severance and employment law standpoint. Employees should sign specific labor disclaimer and compliance language.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		the employee and is subject to withholding and social security contributions. As of calendar year 2015, amounts reimbursed relating to administrators, directors or members of the board of directors of Brazilian subsidiary are deductible. In addition, the commercial bank chosen to effect the transaction may require prior exchange control approval for reimbursement, which may be difficult to obtain. (Cash-netting to effect the reimbursement is prohibited.)	**Contribution:** Likely due if local subsidiary reimburses parent or award income considered to be part of local compensation. If due, employer must pay employer social insurance contributions and withhold employee portion of social insurance contributions (subject to monthly contribution ceiling for employee portion only). If no reimbursement and income not considered part of local compensation, uncertain due to recent tax court rulings which reached different conclusions.		required but are employee's obligation.		
Brazil **Cash Award**	Tax on cash amount at payment.	Yes, because the subsidiary bears the cost of awards. Written agreement recommended.	**Income Tax:** Yes, employer is required to withhold and report income tax assuming the award is paid through local payroll. **Social Insurance Contributions:** Yes, subject to contribution ceilings. The employer must withhold the employee portion, if applicable.	None.	None.	Significant likelihood of vested rights/entitlement claims with cash awards. Employees should sign specific labor disclaimer and compliance language.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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Canada **OPTION**	Tax on spread at exercise. A special regime provides for a deduction of 50% of the spread at exercise (or 25% for Quebec provincial tax purposes), provided certain requirements are met. Tax on sale. Taxable amount is one half of any capital gain.	Not available for stock-settled awards.	**Income Tax:** Yes. **Social Insurance Contribution:** Yes, but subject to annual contribution ceiling. If applicable, employer has to pay employer contributions and withhold employee's contributions. Provincial payroll taxes levied on employers may be payable on award income.	Provincial laws apply. In all provinces, most plans will be exempt from prospectus/dealer registration requirements. Discretionary relief may be required in certain instances depending on specific plan terms.	None.	Generally not if right to terminate plan is reserved in writing and termination date for purposes of award is clearly defined.	Federal law requires written consent from employees for collection, use or disclosure of data abroad. Special consent recommended for Quebec.
Canada **ESPP**	Tax on discount at purchase; no deduction available. Tax on sale. Taxable amount is one half of any capital gain.	Not available for stock-settled awards.	**Income Tax:** Yes. **Social Insurance Contribution:** Yes, but subject to annual contribution ceiling. If applicable, employer has to pay employer contributions and withhold employee's contributions. Provincial payroll taxes levied on employers may be payable on award income.	Provincial laws apply. In all provinces, most plans will be exempt from prospectus/dealer registration requirements. Discretionary relief may be required in certain instances depending on specific plan terms.	None.	Generally not if right to terminate plan is reserved in writing and termination date for purposes of award is clearly defined.	Federal law requires written consent from employees for collection, use or disclosure of data abroad. Special consent recommended for Quebec.
Canada **RS/RSU**	Tax at grant for RS. Generally, tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event; no deduction available. Tax on sale. Taxable amount is one half of	Not available for stock-settled awards.	**Income Tax:** Yes. **Social Insurance Contribution:** Yes, but subject to annual contribution ceiling. If applicable, employer has to pay	Provincial laws apply. In all provinces, most plans will be exempt from prospectus/dealer registration requirements. Discretionary relief may be required in certain instances depending on specific plan terms.	None.	Generally not if right to terminate plan is reserved in writing and termination date for purposes of award is clearly defined.	Federal law requires written consent from employees for collection, use or disclosure of data abroad. Special consent recommended for Quebec.

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	any capital gain.		employer contributions and withhold employee's contributions. Provincial payroll taxes levied on employers may be payable on award income.				
Canada **Cash Award**	Generally, tax at payment. Taxable amount is the amount of the cash payment. However, if the awards do not vest within 3 years after the end of the calendar year to which the services relate, the awards may be taxed at grant. Taxable amount would be the amount of cash payment as of grant.	Generally yes, provided that subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Yes. **Social Insurance Contributions:** Yes, but subject to annual contribution ceiling. If applicable, employer has to withhold employee's contributions. Provincial payroll taxes levied on employers may be payable on award income.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. There is also a risk employees could gain a right to continued cash-settled awards during employment if awards are granted regularly, giving rise to breach of contract claims or constructive dismissal claims if the awards are a significant part (10% or more) of the employee's overall compensation.	Federal law requires written consent from employees for collection, use or disclosure of data abroad. Special consent recommended for Quebec.
Chile **OPTION**	If reimbursement is not made, although not clear, our current view is no tax is due on spread at exercise. If reimbursement is made, tax on the spread at exercise. Tax on sale; taxable amount may depend on whether investment registered with the Chilean IRS and whether tax was	Possible with subsidiary reimbursement but will cause employee tax on exercise and may cause subsidiary to be taxed on the reimbursement payment to parent. In addition, grant may have to be included in individual employee	**Income Tax:** No, unless subsidiary reimburses the parent and seeks a local deduction. **Social Insurance Contribution:** Likely no, unless subsidiary reimburses the parent and seeks a local tax deduction.	Offer of options to more than 50 individuals in Chile generally will be viewed as public offer of securities triggering a registration requirement. An exemption for employee share plan offerings may apply provided certain requirements are met and a notification is filed with the Chilean securities regulation. In addition, special securities disclaimer language required for offers to fewer than 50 individuals in Chile. Disclaimer should also be translated into Spanish. Contact Baker & McKenzie for more information.	To purchase shares in excess of USD10,000, employees must comply with certain reporting obligations, even if cashless exercise is used. Additional reporting required for foreign assets including investments, deposits or credits, and/or foreign securities greater than USD5 million.	Yes, especially if subsidiary reimburses parent. May be mitigated with employee's acknowledgement and waiver.	Written consent from employees for the transfer of data abroad is required. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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	imposed when the shares were acquired at exercise. As of January 1, 2017, tax likely imposed at vesting on the difference between the fair market value of the shares at vesting and the exercise price.	contracts (which will increase plan entitlement issues). A written reimbursement agreement is recommended if a local tax deduction is sought.					
Chile **ESPP**	If reimbursement is not made, although not clear, our view is no tax imposed on discount at purchase. If reimbursement is made, tax on the discount at purchase. Tax on sale; taxable amount may depend on whether investment registered with the Chilean IRS and whether tax was imposed when the shares were acquired at purchase. As of January 1, 2017 tax likely imposed on the discount at purchase and no additional tax at sale.	Possible with subsidiary reimbursement but will cause employee tax on purchase and may cause subsidiary to be taxed on the reimbursement payment to parent. In addition, offer may need to be included in individual employee contracts (which will increase plan entitlement issues). A written reimbursement agreement is recommended if a local tax deduction is sought.	**Income Tax:** No, unless subsidiary reimburses the parent and seeks a local deduction. **Social Insurance Contribution:** Likely no, unless subsidiary reimburses the parent and seeks a local tax deduction.	Offer of ESPP to more than 50 individuals in Chile generally will be viewed as public offer of securities triggering a registration requirement. An exemption for employee share plan offerings may apply provided certain requirements are met and a notification is filed with the Chilean securities regulation. In addition, special securities disclaimer language required for offers to fewer than 50 individuals in Chile. Disclaimer should also be translated into Spanish. Contact Baker & McKenzie for more information.	To remit funds in excess of USD10,000 for purchase of shares, employer (on behalf of employees) must comply with certain reporting obligations. Additional reporting required for foreign assets including investments, deposits or credits, and/or foreign securities greater than USD5 million.	Yes, especially if subsidiary reimburses parent. May be mitigated with employee's acknowledgement and waiver.	Written consent from employees for the transfer of data abroad is required. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Chile **RS/RSU**	Tax at RS/RSU vesting. Taxable amount is fair market value of the shares at vesting. Tax on sale; taxable amount may depend on whether investment registered with the Chilean IRS.	Possible with subsidiary reimbursement but may cause subsidiary to be taxed on the reimbursement payment to parent. In addition, grant may need to be included in	**Income Tax:** No, unless subsidiary reimburses the parent and seeks a local deduction. **Social Insurance Contribution:** Likely yes, regardless of reimbursement.	Offer of RS/RSUs to more than 50 individuals in Chile generally will be viewed as public offer of securities triggering a registration requirement. An exemption for employee share plan offerings may apply provided certain requirements are met and a notification is filed with the Chilean securities regulation. In addition, special securities disclaimer language required for offers to fewer than 50 individuals in Chile. Disclaimer	Additional reporting required for foreign assets including investments, deposits or credits, and/or foreign securities greater than USD5 million.	Yes, especially if subsidiary reimburses parent. May be mitigated with employee's acknowledgement and waiver.	Written consent from employees for the transfer of data abroad is required. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration

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		individual employee contracts (which will increase plan entitlement issues). A written reimbursement agreement is recommended if a local tax deduction is sought.	Employer has to withhold employee's contributions. No employer contributions.	should also be translated into Spanish. Contact Baker & McKenzie for more information.			obligations).
Chile **Cash Award**	Taxed at payment. Taxable amount is amount of cash payment.	Generally, yes, because subsidiary bears the cost of award. A written agreement is recommended.	**Income Tax:** Yes. **Social Insurance Contributions:** Employer has to withhold employee's contributions. No employer contributions.	None.	None.	May be mitigated with employee's acknowledgement and waiver.	Written consent from employees for the transfer of data abroad is required. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
China **OPTION**	Tax on spread at exercise. *If Notice 35 filing completed (see Withholding & Reporting section) and certain other requirements met, tax may be calculated under a favorable formula which generally results in reduction of taxation. Tax on sale.	Unlikely at this time as reimbursement requires exchange control approval (which is unlikely to be given as the regulations do not specifically allow for recharge payments) and/or may be subject to additional requirements imposed by the bank handling the reimbursement. (Cash-netting to effect the reimbursement is prohibited.)	**Income Tax:** Withholding and reporting required at the taxable event. Notice 35 filing required with local tax bureau prior to implementation of the plan. Specific requirements vary by bureau. **Social Insurance Contribution:** Although uncertain, social insurance contributions are likely not required.	Approval from China Securities Regulatory Commission ("CSRC") is required as a technical matter, but compliance is not feasible due to current lack of procedures. CSRC is aware of unapproved employee stock plans implemented by foreign companies in China and has informally expressed no current intention to take action against such companies. Practical risk is low if cashless sell-all exercise method is mandated, because no employee funds put at risk and shares held for only a moment in time.	Under Circular 7 issued by the Central Bank and State Administration of Foreign Exchange ("SAFE"), non-PRC public companies granting equity awards to PRC employees must register plan with local SAFE offices where PRC entities located. As part of the registration, non-PRC companies are required to establish a special onshore bank account approved by SAFE through which all funds towards the purchase and from the sale of shares under	Generally not if the right to modify or terminate is stated in the plan and employees agree to such terms in writing. Regulations require that part-time employees be given benefits based on the number of hours they work. This could be interpreted to apply to participation in an equity plan. There is risk that equity awards could be deemed a payment of wages "in-kind" or in "negotiable securities," thereby constituting an illegal payment of wages in China. However, it is unlikely that local labor	PRC regulations require that employers keep confidential an employee's personal data/information, and not publicize such data without the employee's consent. Because data collected for equity plan participation would likely be considered personal data, and data transfer to a third party would likely be considered publicizing such data, obtaining employee's written consent for the collection, use and transfer of data

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					the plan must be funneled. Companies are required to repatriate all equity plan proceeds realized by PRC employees through the approved onshore bank account. Once registration is completed, quarterly reporting requirements apply. Annual re-registration may also be required in certain provinces. In addition, companies must request approval for an annual quota which establishes the maximum amount that can be sent out of China through the approved onshore bank account per year to purchase shares (for options exercisable using a cash exercise method). Finally, an amendment registration is required within 3 months of any material change (*e.g.*, new/amended plan). Interpretations of Circular 7 by local SAFE offices are inconsistent and change frequently. Contact Baker & McKenzie for latest requirements or for assistance to complete SAFE registration. NOTE: Non-PRC private companies cannot register their equity plans pursuant to Circular 7. If you	authorities would object to the issuance of equity awards or stock under an employee stock plan, which are in the form of bonuses and are in addition to regular wages.	recommended. In addition, transmitting data from the PRC to the issuer's home country may be subject to regulation in the PRC.

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					would like further information on the exchange control issues for private companies, please contact Baker & McKenzie.		
China **ESPP**	Tax on discount at purchase. *If Notice 9 tax treatment is applied to the taxable amount as annual bonus (limited to once every year), tax may be calculated under a favorable formula which generally results in reduction of taxation. However, not all tax bureaus allow favorable treatment under Notice 9 for ESPP. Tax on sale.	Unlikely at this time as reimbursement requires exchange control approval (which is unlikely to be given as the regulations do not specifically allow for recharge payments) and/or may be subject to additional requirements imposed by the bank handling the reimbursement. (Cash-netting to effect the reimbursement is prohibited.)	**Income Tax:** Withholding and reporting required at the taxable event. **Social Insurance Contribution:** Although uncertain, social insurance contributions are likely not required.	Approval from China Securities Regulatory Commission ("CSRC") is required as a technical matter, but compliance is not feasible due to current lack of procedures. CSRC is aware of unapproved employee stock plans implemented by foreign companies in China and has informally expressed no current intention to take action against such companies. Regulatory risk is greater for ESPP because employees remit funds for purchase and then hold securities. Risk can be mitigated if employees are required to immediately sell shares when acquired.	Under Circular 7 issued by the Central Bank and State Administration of Foreign Exchange ("SAFE"), non-PRC public companies granting equity awards to PRC employees must register plan with local SAFE offices where PRC entities located. As part of the registration, foreign companies are required to establish a special onshore bank account approved by SAFE through which all funds towards the purchase and from the sale of shares under the plan must be funneled. Companies are required to repatriate all equity plan proceeds realized by PRC employees through the approved onshore bank account. Once registration is completed, quarterly reporting requirements apply. Annual re-registration may also be required in certain provinces. In addition, companies must request approval for an annual quota which establishes the	Generally not if the right to modify or terminate is stated in the plan and employees agree to such terms in writing. Regulations require that part-time employees be given benefits based on the number of hours they work. This could be interpreted to apply to participation in an equity plan. There is a risk that equity awards could be deemed a payment of wages "in-kind" or in "negotiable securities," thereby constituting an illegal payment of wages in China. However, it is unlikely that local labor authorities would object to the issuance of equity awards or stock under an employee stock plan, which are in the form of bonuses and are in addition to regular wages.	PRC regulations require that employers keep confidential an employee's personal data/information, and not publicize such data without the employee's consent. Because data collected for equity plan participation would likely be considered personal data, and data transfer to a third party would likely be considered publicizing such data, obtaining employee's written consent for the collection, use and transfer of data recommended. In addition, transmitting data from the PRC to the issuer's home country may be subject to regulation in the PRC.

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					maximum amount that can be sent out of China approved onshore bank account per year to purchase shares. Finally, an amendment registration is required within 3 months of any material change (*e.g.*, new/amended plan). Interpretations of Circular 7 by local SAFE offices are inconsistent and change frequently. Contact Baker & McKenzie for latest requirements or for assistance to complete SAFE registration. NOTE: Non-PRC private companies cannot register their equity plans pursuant to Circular 7. If you would like further information on the exchange control issues for private companies, please contact Baker & McKenzie. Labor law regulations prohibit PRC employers from making deductions from employees' salaries unless authorized under law; therefore, payroll deductions are technically problematic. However, these restrictions are unlikely to be enforced in the context of an ESPP. The risk may be reduced if employees		

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					expressly consent to payroll deductions, and it is made clear that the ESPP contributions do not reduce overall remuneration.		
China **RS/RSU**	Tax at RS/RSU vesting. Taxable amount is fair market value at vesting. *If Notice 35 completed (see Withholding & Reporting section) and certain other requirements met, tax may be calculated under a favorable formula which generally results in reduction of taxation. Tax on sale.	Unlikely at this time as reimbursement requires exchange control approval (which is unlikely to be given as the regulations do not specifically allow for recharge payments) and/or may be subject to additional requirements imposed by the bank handling the reimbursement. (Cash-netting to effect the reimbursement is prohibited.)	**Income Tax:** Withholding and reporting required at the taxable event. Notice 35 filing required with local tax bureau prior to implementation of the plan. Specific requirements vary by bureau. **Social Insurance Contribution:** Although uncertain, social insurance contributions are likely not required.	Approval from China Securities Regulatory Commission (“CSRC”) is required as a technical matter, but compliance is not feasible due to current lack of procedures. CSRC is aware of unapproved employee stock plans implemented by foreign companies in China and has informally expressed no current intention to take action against such companies. Risk is reduced because RS/RSUs are offered for no consideration (thus no funds are remitted). Risk is further mitigated if employees are required to immediately sell shares when acquired.	Under Circular 7 issued by the Central Bank and State Administration of Foreign Exchange (“SAFE”), non-PRC public companies granting equity awards to PRC employees must register plan with local SAFE offices where PRC entities located. As part of the registration, foreign companies are required to establish a special onshore bank account approved by SAFE through which all funds from the sale of shares under the plan must be funneled. Companies are required to repatriate all equity plan proceeds realized by PRC employees through the approved onshore bank account. Once registration is completed, quarterly reporting requirements apply. Annual re-registration may also be required in certain provinces. Finally, an amendment registration is required within 3 months of any material change (e.g.,	Generally not if the right to modify or terminate is stated in the plan and employees agree to such terms in writing. Regulations require that part-time employees be given benefits based on the number of hours they work. This could be interpreted to apply to participation in an equity plan. There is risk that equity awards could be deemed a payment of wages “in-kind” or in “negotiable securities,” thereby constituting an illegal payment of wages in China. However, it is unlikely that local labor authorities would object to the issuance of equity awards or stock under an employee stock plan, which are in the form of bonuses and are in addition to regular wages.	PRC regulations require that employers keep confidential an employee’s personal data/information, and not publicize such data without the employee’s consent. Because data collected for equity plan participation would likely be considered personal data, and data transfer to a third party would likely be considered publicizing such data, obtaining employee’s written consent for the collection, use and transfer of data recommended. In addition, transmitting data from the PRC to the issuer’s country may be subject to regulation in the PRC.

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					new/amended plan). Interpretations of Circular 7 by local SAFE offices are inconsistent and change frequently. Contact Baker & McKenzie for latest requirements or for assistance to complete SAFE registration. NOTE: Non-PRC private companies cannot register their equity plans pursuant to Circular 7. If you would like further information on the exchange control issues for private companies, please contact Baker & McKenzie for latest requirements or for assistance to complete SAFE registration.		
China **Cash Award**	Tax at payment. Taxable amount is amount of the cash payment. * If Notice 9 tax treatment is applied to the cash award as annual bonus (limited to once every year), tax may be calculated under a favorable formula which generally results in reduction of taxation.	Likely yes, provided the subsidiary bears the cost of the award and makes the payment directly to the local employee. Written agreement recommended.	**Income Tax:** Withholding and reporting required at the taxable event. **Social Insurance Contributions:** Although uncertain, social insurance contributions are likely not required.	None.	Likely are not subject to Circular 7. Note, however, that cash-settled awards paid by a non-PRC entity generally are subject to Circular 7.	Generally not if the right to modify or terminate is stated in the plan and employees agree to such terms in writing. Regulations require that part-time employees be given benefits based on the number of hours they work. This could be interpreted to apply to participation in an equity plan.	PRC regulations require that employers keep confidential an employee's personal data/information, and not publicize such data without the employee's consent. Because data collected for equity plan participation would likely be considered personal data, and data transfer to a third party would likely be considered publicizing such data, obtaining employee's written consent for the collection, use and

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
							transfer of data recommended. In addition, transmitting data from the PRC to the United States may be subject to regulation in the PRC.
Colombia **OPTION**	Tax on spread at exercise. Tax on sale.	Yes, if subsidiary reimburses parent. Mitigate exchange control issues by wiring of funds (either from Colombia or from a Colombian subsidiary account overseas) to effect reimbursement.	**Income Tax:** No, unless the subsidiary reimburses parent and claims a local deduction. **Social Insurance Contribution:** Not applicable, if there is an agreement that the equity award benefits are not part of salary, even if subsidiary reimburses parent.	Yes, onerous filing requirement if over 99 offerees, but separate and distinct offerings need not be aggregated.	If employee's aggregate payment or investment abroad is $500,000 or more, the transaction must be registered with the Bank of the Republic.	Yes, but may be mitigated with employee agreement that the grant is discretionary, the plan is subject to termination and the benefits are not salary.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Colombia **ESPP**	Tax on the discount at purchase. Tax on sale.	Yes, if subsidiary reimburses parent. Mitigate exchange control issues by wiring funds (either from Colombia or from a Colombian subsidiary account overseas) to effect reimbursement.	**Income Tax:** No, unless the subsidiary reimburses parent and claims a local deduction or is otherwise involved in the grant. **Social Insurance Contribution:** No applicable, if there is an agreement that the benefits are not part of salary, even if subsidiary reimburses parent.	Yes, onerous filing requirement if over 99 offerees, but separate and distinct offerings need not be aggregated.	If employee's aggregate payment or investment abroad is $500,000 or more, the transaction must be registered with the Bank of the Republic.	Yes, but may be mitigated with employee agreement that the grant is discretionary, the plan is subject to termination and the benefits are not salary.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Colombia **RS/RSU**	Tax at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Tax on sale.	Yes, if subsidiary reimburses parent. Mitigate exchange control issues by wiring of funds (either from Colombia or from a Colombian subsidiary overseas) to effect reimbursement.	**Income Tax:** No, unless the subsidiary reimburses parent and claims a local deduction or is otherwise involved in the grant. **Social Insurance Contribution:** Not applicable, if there is an agreement that the benefits are not part of salary, even if subsidiary reimburses parent.	Onerous filing requirements may apply if over 99 offerees, but separate and distinct offerings need not be aggregated.	If employee's aggregate payment or investment abroad is $500,000 or more, the transaction must be registered with the Bank of the Republic.	Yes, but may be mitigated with employee agreement that the grant is discretionary, the plan is subject to termination and the benefits are not salary.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Colombia **Cash Award**	Tax at payment. Taxable amount is the amount of the cash payment.	Generally yes, provided that the subsidiary bears the cost of award and the award is classified as "labor income." Written agreement recommended.	**Income Tax:** Yes. **Social Insurance Contributions:** Yes. Employer and employee social insurance contributions (capped) are due and employer must withhold employee portion.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, payroll taxes, etc.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Czech Republic **OPTION**	Tax on spread at exercise. For shares acquired on or after January 1, 2014, tax on gain at sale unless shares are held for more than three years or gross annual income of the shareholder is CZK100,000 or less.	Generally allowed if (i) subsidiary reimburses parent pursuant to a written reimbursement agreement under which it is clear that the equity award cost was incurred to generate, maintain and assure taxable income; and (ii) subsidiary	**Income Tax:** No, unless the local subsidiary reimburses the parent. **Social Insurance Contribution:** Generally, no, unless the local subsidiary reimburses the parent and is required to withhold	None. The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been	Reporting requirements apply to the acquisition of securities and related payments and receipts between foreign exchange residents and foreign exchange non-residents.	Generally not, provided employee signs agreement acknowledging discretionary nature of the plan. Works council notification/consultation obligations apply if sub bears the costs of awards. Also, if subsidiary bears the cost of the awards, prior approval of the	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		adequately documents the reimbursement internally, *e.g.*, in employment contract (which may trigger labor issues). Company should not recharge costs of awards to executives or board members. Reimbursement triggers social insurance contributions and withholding/ reporting obligations.	income tax.	fully implemented in the Czech Republic. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.		subsidiary's supervisory board or board of directors is required to offer awards to executive officers or directors of the subsidiary. In addition, "performance of functions" agreement with executive officers or directors of subsidiary receiving equity should reference equity grant, be approved by shareholder of the subsidiary and be signed (in hard copy) by individual. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Czech Republic **ESPP**	Tax on discount at purchase. For shares acquired on or after January 1, 2014, tax on gain at sale unless shares are held for more than three years or gross annual income of the shareholder is CZK100,000 or less.	Generally allowed if (i) subsidiary reimburses parent pursuant to a written reimbursement agreement under which it is clear that the equity award cost was incurred to generate, maintain and assure taxable income; and (ii) subsidiary adequately documents the	**Income Tax:** No, unless the local subsidiary reimburses the parent. **Social Insurance Contribution:** Generally, no, unless the local subsidiary reimburses the parent and is required to withhold income tax.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the	Reporting requirements apply to the acquisition of securities and related payments and receipts between foreign exchange residents and foreign exchange non-residents.	Generally not, provided employee signs agreement acknowledging discretionary nature of the plan. Employee participating in ESPP must provide a payroll deduction authorization form in Czech to the local employer, authorizing it to deduct contributions from the employee's salary. Works council	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		reimbursement internally, *e.g.*, in employment contract (which may trigger labor issues). Company should not recharge costs of awards to executives or board members. Reimbursement triggers social insurance contributions and withholding/ reporting obligations.		EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in the Czech Republic. ESPP is subject to the EU Prospectus Directive. Therefore a prospectus must be filed unless an exemption or exclusion applies.		notification/consultation obligations apply if subsidiary bears the costs of awards. Also, if subsidiary bears the cost of the awards, prior approval of the subsidiary's supervisory board or board of directors is required to offer awards to executive officers or directors of the subsidiary. In addition, "performance of functions" agreement with executive officers or directors of subsidiary receiving equity should reference equity grant, be approved by shareholder of the subsidiary and be signed (in hard copy) by individual. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Czech Republic **RS/RSU**	Generally, tax at grant for RS; tax at vesting for RS/RSU. Taxable amount is fair market value of the shares on the taxable event. For shares acquired on or after January 1, 2014, tax on gain at	Generally allowed if (i) subsidiary reimburses parent pursuant to a written reimbursement agreement under which it is clear that the equity award cost was	**Income Tax:** No, unless the local subsidiary reimburses the parent. **Social Insurance Contribution:**	Generally, none. The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it	Reporting requirements apply to the acquisition of securities and related payments and receipts between foreign exchange residents and foreign exchange non-residents.	Generally not, provided employee signs agreement acknowledging discretionary nature of the plan. Works council notification/consultation obligations apply if	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	sale unless shares are held for more than three years or gross annual income of the shareholder is CZK100,000 or less.	incurred to generate, maintain and assure taxable income; and (ii) subsidiary adequately documents the reimbursement internally, *e.g.*, in employment contract (which may trigger labor issues). Company should not recharge costs of awards to executives or board members. Reimbursement triggers social insurance contributions and withholding/ reporting obligations.	Generally, no, unless the local subsidiary reimburses the parent and is required to withhold income tax.	then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in the Czech Republic. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.		subsidiary bears the costs of awards. Also, if subsidiary bears the cost of the awards, prior approval of the subsidiary's supervisory board or board of directors is required to offer awards to executive officers or directors of the subsidiary. In addition, "performance of functions" agreement with executive officers or directors of subsidiary receiving equity should reference equity grant, be approved by shareholder of the subsidiary and be signed (in hard copy) by individual. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	requirements (such as notification or registration obligations).
Czech Republic **Cash Award**	Tax at payment. Taxable amount is fair market value of the award at payment.	Generally, yes, provided that subsidiary bears the cost of the award. Written agreement recommended.	**Income Tax:** Withholding and reporting required at the taxable event. **Social Insurance Contributions:** Social insurance contributions withholding and reporting likely	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. Although not entirely	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			required if awards are paid through local payroll.			clear, it is likely that cash-settled awards paid through local payroll will need to be included in termination indemnities calculations.	obligations).
Denmark **OPTION**	Tax on spread at exercise for options. A new tax regime came into effect July 1, 2016 which provides favorable tax treatment for certain qualifying equity awards. Under the new regime, taxation of qualifying options is deferred until the time of sale provided certain requirements are met. [Contact Baker & McKenzie for more information.] Tax on sale.	Allowed if subsidiary reimburses parent under a written reimbursement agreement. No deduction allowed for awards granted under the tax-favored regime.	**Income Tax:** Reporting required at taxable event. Special reporting obligations apply to options granted under tax-favored regime. No employer withholding obligation. **Social Insurance Contributions:** Employee subject to social insurance contributions. No employer withholding required.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Denmark. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.	None.	The Danish Stock Option Act, which applies to grants after June 30, 2004 (and seemingly covers grants by U.S. multinationals), permits forfeiture of unvested awards for voluntary terminations, but not for involuntary terminations (with limited exceptions). Thus, terminated employees may have a right to continue to vest in awards (and exercise options until the expiration date) and may be entitled to at least a pro-rated portion of any annual grant made in year of termination. A Supreme Court decision applies to options (and arguably other awards) granted prior to July 1, 2004 and provides that any terminated employees (including voluntary terminations) have a right to retain vested and unvested options for their full term. Pursuant to the Stock Option Act, equity awards will not be included when calculating holiday pay upon termination of employment. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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						adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Denmark **ESPP**	Tax on discount at purchase for ESPP. A new tax regime came into effect July 1, 2016 which provides for favorable tax treatment for certain qualifying equity awards. Under the new regime, taxation of shares acquired under an ESPP would be deferred until the time of sale provided certain requirements are met. Contact Baker & McKenzie for more information. Tax on sale.	Allowed if subsidiary reimburses parent under a written reimbursement agreement. No deduction allowed for ESPP offered under the tax-favored regime.	**Income Tax:** Reporting required at taxable event. Special reporting obligations apply to ESPP offered under tax-favored regime. No employer withholding obligation. **Social Insurance Contributions:** Employee subject to social insurance contributions. No employer withholding required.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in Denmark. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exception or exclusion applies.	None.	The Danish Stock Option Act, which applies to grants after June 30, 2004 (and seemingly covers grants by U.S. multinationals), permits forfeiture of awards for voluntary terminations, but not for involuntary terminations (with limited exceptions). Thus, terminated employees may have a right to continue to participate in current ESPP offering period. Pursuant to the Stock Option Act, equity awards will not be included when calculating holiday pay upon termination of employment. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*,	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
						accelerated or continued vesting) for those meeting the criteria.	
Denmark **RS/RSU**	Tax at grant for RS. Tax likely at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. It is possible to request a tax ruling confirming timing of taxation of RSUs from Danish tax authorities. A new tax regime came into effect July 1, 2016 which provides for favorable tax treatment for certain qualifying equity awards. Under the new regime, taxation of qualifying RSUs would be deferred until the time of sale provided certain requirements are met.. Contact Baker & McKenzie for more information. Tax on sale. .	Allowed if subsidiary reimburses parent under a written reimbursement agreement. No deduction allowed for awards granted under the tax-favored regime.	**Income Tax:** Reporting required at taxable event. Special reporting obligations apply to RSUs granted under tax-favored regime. No withholding obligation. **Social Insurance Contributions:** Employee subject to social insurance contributions. No employer withholding required.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Denmark. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.	None.	The Danish Stock Option Act, which applies to grants after June 30, 2004 (and seemingly covers grants by U.S. multinationals), permits forfeiture of unvested awards for voluntary terminations, but not for involuntary terminations (with limited exceptions). Thus, terminated employees may have a right to retain unvested awards and may be entitled to at least pro-rated portion of any annual grant made in year of termination. Rules likely apply to RSUs, but not RS. RS likely subject to Danish Salaried Employees Act which does not permit forfeiture of unvested awards for voluntary or involuntary terminations. Pursuant to the Stock Option Act, equity awards will not be included when calculating holiday pay upon termination of employment. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
						treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Denmark **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Withholding required. Reporting required at taxable event. **Social Insurance Contributions:** Yes. Both employer and employee contributions due and employer must withhold employee portion.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. Cash awards are subject to Danish Salaried Employees Act which does not permit forfeiture of unvested awards for voluntary or involuntary termination. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Egypt **OPTION**	Likely tax on spread at exercise. Likely tax on sale.	Likely yes, if subsidiary reimburses the parent.	**Income Tax:** Withholding and reporting generally required. **Social Insurance Contributions:** If the spread is	None, provided shares subject to the award are not registered on an Egyptian stock exchange.	Funds remitted abroad to acquire shares and sale proceeds remitted into Egypt must be transferred through a registered bank in Egypt.	Written disclaimer recommended to reduce risk of plan entitlement.	Prior written consent from employees to transfer of personal data abroad should be obtained.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			considered part of the employee's base salary or differential salary, employee and employer social insurance contributions at exercise (unless contribution ceiling already met).				
Egypt **ESPP**	Likely tax on discount at purchase. Likely tax on sale.	Likely yes, if subsidiary reimburses the parent.	**Income Tax:** Withholding and reporting generally required. **Social Insurance Contributions:** If the spread is considered part of the employee's base salary or differential salary, employee and employer social insurance contributions at purchase (unless contribution ceiling already met).	None, provided shares subject to the award are not registered on an Egyptian stock exchange.	Funds remitted abroad to acquire shares and sale proceeds remitted into Egypt must be transferred through a registered bank in Egypt.	Written disclaimer recommended to reduce risk of plan entitlement.	Prior written consent from employees to transfer of personal data abroad should be obtained.
Egypt **RS/RSU**	Taxed when shares are released to the recipients, free of any restrictions. Taxable amount is the fair market value of the shares when the shares are released to the recipients, free of any restrictions. Likely tax on sale.	Likely yes, if subsidiary reimburses the parent.	**Income Tax:** Withholding and reporting generally required. **Social Insurance Contributions:** If the RSU income is considered part of the employee's base salary or differential salary, employee and employer social insurance contributions will be due, unless contribution ceiling already met.	None, provided shares subject to the award are not registered on an Egyptian stock exchange.	Sale proceeds remitted into Egypt must be transferred through a registered bank in Egypt.	Written disclaimer recommended to reduce risk of plan entitlement	Prior written consent from employees to transfer of personal data abroad should be obtained.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Egypt **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, if subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Withholding and reporting required. **Social Insurance Contributions:** Employee and employer social insurance contributions will be due, unless contribution ceiling already met.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount when calculating termination indemnities, obligation to consult works council, etc.	Prior written consent from employees to transfer of personal data abroad should be obtained.
Finland **OPTION**	Tax on spread at exercise. Tax on sale, subject to certain deductions.	Yes, if subsidiary reimburses parent pursuant to a written agreement and grants based on employment relationship.	**Income Tax:** Withholding and reporting required at exercise. Withholding should be done from salary. **Social Insurance Contributions:** Generally, only the employee-paid health insurance premium due on spread at exercise and included in general withholding rate, so no additional withholding.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Finland. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.	None.	Employees should be required to acknowledge discretionary nature of awards. Even with acknowledgment, award income may be taken into account in determining the amount of compensation for unjustified termination of employment. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended (although it arguably may not even be required in some cases as consent could be considered not to be voluntary). Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Finland **ESPP**	Tax on discount at purchase. For ESPP, may be able to exclude at least a portion of discount from tax if newly issued shares are used and a ruling is obtained. Tax on sale, subject to certain deductions.	Yes, if subsidiary reimburses parent pursuant to a written agreement and grants based on employment relationship.	**Income Tax:** Withholding and reporting required at purchase. Withholding should be done from salary. **Social Insurance Contributions:** Generally, only the employee-paid health insurance premium due on discount at purchase and included in general withholding rate, so no additional withholding.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in Finland. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies.	None.	Employees should be required to acknowledge discretionary nature of awards. Even with acknowledgment, award income may be taken into account in determining the amount of compensation for unjustified termination of employment. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended (although it arguably may not even be required in some cases as consent could be considered not to be voluntary). Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Finland **RS/RSU**	Tax likely at grant for RS subject to time-based vesting conditions only; tax likely at vesting for RS subject to other vesting conditions (*e.g.*, performance goals). Tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event.	Yes, if subsidiary reimburses parent pursuant to a written agreement and grants based on employment relationship.	**Income Tax:** Withholding and reporting required at taxable event. Withholding should be done from salary. **Social Insurance Contributions:** Generally, only the employee-paid health	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this	None.	Employees should be required to acknowledge discretionary nature of awards. Even with acknowledgment, award income may be taken into account as salary in determining the amount of compensation for unjustified termination of employment. Discrimination against part-time employees is	Written consent from employees for the transfer of data abroad is strongly recommended (although it arguably may not even be required in some cases as consent could be considered not to be voluntary). Companies are advised to check with their data

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	Tax on sale, subject to certain deductions.		premium due on income at taxable event and included in general withholding rate, so no additional withholding. There is a risk that additional social insurance contributions are due on RS and RSUs which vest within one year from grant.	prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Finland. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.		generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	privacy counsel to determine any other requirements (such as notification or registration obligations).
Finland **Cash Award**	Taxed at payment. Taxable amount is amount of the cash award.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Withholding and reporting required at payment. Withholding should be done from salary. **Social Insurance Contributions:** Employer and employee social insurance contributions are due (as on ordinary salary). Employer must withhold employee contributions.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount when calculating termination indemnities, obligation to consult works council, etc. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of cash awards and other incentives in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting	Written consent from employees for the transfer of data abroad is strongly recommended (although it arguably may not even be required in some cases as consent could be considered not to be voluntary). Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
						the criteria.	
France OPTION	Tax on spread at exercise. Tax qualification may be available for option grants, resulting in deferral of tax due at exercise until sale for employees as well as elimination of certain employee and employer social security contributions if requirements met. However, there is an employer-paid social tax due at grant of French-qualified options. A sub-plan should be in place at the time of grant, which imposes certain other restrictions such as special closed period which preclude public companies from granting French-qualified options during certain periods. In addition, special reporting requirements apply to French-qualified options. Tax on sale.	Currently, a deduction is generally allowed only with respect to shares that the parent has repurchased, not newly issued shares, and only with respect to the actual loss sustained; a written reimbursement agreement is recommended.	**Income Tax:** Generally no income tax withholding required for French tax residents. Withholding required for taxable events occurring on or after April 1, 2011 if employee is not a French tax resident but was employed and subject to tax in France over the period an award was earned (usually the vesting period). For French-qualified awards, the entity delivering the proceeds at sale to the employee is generally responsible for the withholding; depending on how the plan is administered, the entity responsible for withholding could therefore be the broker. Reporting required. **Social Insurance Contributions:** Yes (at rates up to approximately 46% for the employer and approximately 23% for the employee) for non- French-qualified options. Employer must withhold the employee contributions for non French-qualified	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in France. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.	Minor reporting requirements may apply.	Possibly. Disclaimer is strongly recommended. Increased entitlement risk if grants are regularly made under similar terms over several years. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			options. Employer social tax applies at grant of French-qualified options. Employee social tax on French-qualified options applies at sale, but employer is not required to withhold.				
France **ESPP**	Tax on discount at purchase. Tax-favored stock purchase plan (P.E.E.) may be considered. Tax on sale.	Currently, a deduction is generally allowed only with respect to shares that the parent has repurchased, not newly issued shares, and only with respect to the actual loss sustained; a written reimbursement agreement is recommended.	**Income Tax:** Generally no income tax withholding required for French tax residents. Withholding required for taxable events occurring on or after April 1, 2011 if employee is not a French tax resident but was employed and subject to tax in France over the purchase period. Reporting required. **Social Insurance Contributions:** Yes (at rates up to approximately 46% for the employer and approximately 23% for the employee). Employer must withhold the employee contributions.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in France. ESPP is subject to the EU Prospectus Directive. Therefore a prospectus must be filed unless an exemption or exclusion applies.	Minor reporting requirements may apply.	Possibly. Disclaimer is strongly recommended and employees should consent (in French) to payroll deductions. Increased entitlement risk if grants are regularly made under similar terms over several years. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
France **RS/RSU**	Tax at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Tax qualification is available for RSU, resulting in deferral of tax due at vesting until sale as well as elimination of certain employer and employee social security contributions. However, an employer-paid social tax is due (either at grant or at vesting) and certain minimum vesting and/or holding periods apply. The specific requirements depend on whether the "new" (post-August 7, 2015) regime or the "old" (pre-August 7, 2015) regime applies. To rely on the new regime, the issuing company's shareholders may need to approve the plan under which the French-qualified RSUs are granted after August 7, 2015. In any case, a sub-plan must be in place at the time of grant, which imposes certain other restrictions, such as special closed periods which restrict sale of shares of public companies during certain periods. In addition, special reporting requirements apply to French-qualified RSUs.	Currently, a deduction is generally allowed only with respect to shares that the parent has repurchased, not newly issued shares, and only with respect to the actual loss sustained; a written reimbursement agreement is recommended.	**Income Tax:** Generally no income tax withholding required for French tax residents. Withholding required for taxable events occurring on or after April 1, 2011 if employee is not a French tax resident but was employed and subject to tax in France over the period an award was earned (usually the vesting period). For French-qualified awards, the entity delivering the proceeds at sale to the employee is generally responsible for the withholding; depending on how the plan is administered, the entity responsible for withholding could therefore be the broker. Reporting required. **Social Insurance Contributions:** Yes (at rates up to approximately 46% for the employer and approximately 23% for the employee) for non- French-qualified RSUs. Employer must withhold the employee contributions for non French-qualified RSUs.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in France. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.	Minor reporting requirements may apply.	Possibly. Disclaimer is strongly recommended. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	Tax on sale.		Employer social tax applies at grant or vesting of French-qualified RSUs depending on whether old or new French-qualified regime applies. Employee social tax on French-qualified RSUs applies at sale, but employer is not required to withhold.				
France **Cash Award**	Taxable event likely will be at vesting. The taxable amount will be the fair market value of the shares at vesting.	Generally yes, because subsidiary bears the cost of award. Written agreement strongly recommended.	**Income Tax:** Generally no income tax withholding required for French tax residents. Reporting required. **Social Insurance Contributions:** Yes (at rates up to approximately 46% for the employer and approximately 23% for the employee). Employee must withhold the employee contributions.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount when calculating termination indemnities, obligation to consult works council, etc. Cash awards may be viewed as a remuneration item (and, as such, an addendum to the employment contract), which may require that the award agreement be translated into French and which may require consultation with works council (if applicable). Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly provisions	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
						with age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Germany **OPTION**	Tax on spread at exercise. Small deduction may apply. Taxable event may be delayed until shares are debited from company's books after exercise. No tax on sale if the stock was acquired before January 1, 2009 and is held for 12 or more months and certain other conditions are met. Shares acquired on or after January 1, 2009 will be subject to tax at sale.	May be available only if costs are considered to relate to business of local subsidiary, which would require local subsidiary to be involved in planning, granting and administering SOP and this would significantly increase labor law risks (plan entitlement, works council consultation, etc.). In addition, some German tax authorities take position that costs are not deductible even if above condition is met.	**Income Tax:** Yes. **Social Insurance Contributions:** Yes, for both employee and employer, unless contribution ceiling already met. Employer has to withhold the employee's contribution.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been implemented in Germany. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.	Minor reporting may be required.	Possibly. It is advisable to make U.S. law the governing law, minimize the involvement of the local subsidiary and include a written disclaimer. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most countries, including Germany, have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Germany **ESPP**	Tax on discount at purchase. Small deduction may apply. Taxable event may be delayed until shares are debited from company's books. No tax on sale if the stock was acquired before January 1, 2009 and is held for 12 or more months and certain other conditions are met.	May be available only if costs are considered to relate to business of local subsidiary, which would require local subsidiary to be involved in planning, granting and administering ESPP and this would significantly increase labor law risks (plan	**Income Tax:** Yes. **Social Insurance Contributions:** Yes, for both employee and employer, unless contribution ceiling already met. Employer has to withhold the employee's	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA	Minor reporting may be required.	Possibly. It is advisable to make U.S. law the governing law, minimize the involvement of the local subsidiary and include a written disclaimer. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	Shares acquired on or after January 1, 2009 will be subject to tax at sale.	entitlement, works council consultation, etc.). In addition, some German tax authorities take position that costs are not deductible even if above condition is met.	contribution.	member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been implemented in Germany. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies.		countries, including Germany, have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Germany **RS/RSU**	Tax likely at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Small deduction may apply. Taxable event may be delayed until shares are debited from company's books after grant (RS) / vesting (RSU). Pursuant to a German Federal Tax Court case, in certain circumstances, it may be possible to take the position that RS is taxed on vesting. Companies should obtain a wage tax ruling before relying on this decision. No tax on sale if the stock was acquired before January 1,	May be available only if costs are considered to relate to business of local subsidiary, which would require local subsidiary to be involved in planning, granting and administering RS/RSU and this would significantly increase labor law risks (plan entitlement, works council consultation, etc.). In addition, some German tax authorities take position that costs are not deductible even if above condition is met.	**Income Tax:** Yes. **Social Insurance Contributions:** Yes, for both employee and employer, unless employee's contribution ceiling already met. Employer has to withhold the employee's contribution.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been implemented in Germany. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive	Minor reporting may be required.	Possibly. It is advisable to make U.S. law the governing law, minimize the involvement of the local subsidiary and include a written disclaimer. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, countries, including Germany, have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

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	2009 and is held for 12 or more months and certain other conditions are met. Shares acquired on or after January 1, 2009 will be subject to tax at sale.						
Germany **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Yes. **Social Insurance Contributions:** Yes, for both employee and employer, unless employee's contribution ceiling already met. Employer has to withhold the employee's contribution.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. It is advisable to make U.S. law the governing law, minimize the involvement of the local subsidiary and include a written disclaimer. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, countries, including Germany, have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Hong Kong **OPTION**	Tax on spread at exercise. No tax on sale.	Generally allowed if subsidiary reimburses parent.	**Income Tax:** No withholding required. Reporting	No, provided certain requirements are met.	None.	No, if employee acknowledges discretionary nature of	Need to comply with Hong Kong's Personal Data (Privacy) Ordinance

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			required (for grant and exercise of options). **Social Insurance Contributions:** No.			plan. Discrimination against part-time employees is problematic if predominantly women.	which includes providing notice to employees and obtaining employee consent to collection, use and transfer of data.
Hong Kong **ESPP**	Tax on discount at purchase. No tax on sale.	Generally allowed if subsidiary reimburses parent.	**Income Tax:** No withholding required. Reporting required. **Social Insurance Contributions:** No.	No, provided certain requirements are met.	None. *Payroll deductions technically are not permitted.	No, if employee acknowledges discretionary nature of plan. Discrimination against part-time employees is problematic if predominantly women.	Need to comply with Hong Kong's Personal Data (Privacy) Ordinance which includes providing notice to employees and obtaining employee consent to collection, use and transfer of data.
Hong Kong **RS/RSU**	Tax at vesting likely for RS/RSUs, but may depend on specific award terms. Taxable amount is fair market value of the shares on the tax event. No tax on sale.	Generally allowed if subsidiary reimburses parent.	**Income Tax:** No withholding required. Reporting required. **Social Insurance Contributions:** No.	No, provided certain requirements are met.	None.	No, if employee acknowledges discretionary nature of plan. Discrimination against part-time employees is problematic if predominantly women. ORSO legislation may treat RSU plan as retirement scheme subject to registration/ exemption process if RSUs are paid only in cash and if payment made upon termination of employment for certain reasons.	Need to comply with Hong Kong's Personal Data (Privacy) Ordinance which includes providing notice to employees and obtaining employee consent to collection, use and transfer of data.
Hong Kong **Cash Award**	Tax at payment. Taxable amount is amount of the cash payment.	Generally yes, if subsidiary bears the cost of award.	**Income Tax:** No withholding required. Reporting required. **Social Insurance Contributions:** Employer and	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount when calculating termination indemnities, obligation to consult	Need to comply with Hong Kong's Personal Data (Privacy) Ordinance which includes providing notice to employees and obtaining employee consent to collection, use and

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			employee Mandatory Provident contributions apply, unless contribution ceiling already met. Employer has to withhold employee contributions.			works council, etc. Discrimination against part-time employees is problematic if predominantly women. ORSO legislation may treat cash awards as retirement scheme subject to registration/ exemption process if payment made upon termination of employment for certain reasons.	transfer of data.
Hungary **OPTION**	Tax on spread at exercise. Note that the tax base may be reduced if the employee is required to pay health tax contributions (which is likely the case). Tax on sale.	May be possible, if reimbursement made. Written reimbursement agreement advisable.	**Income Tax:** No. **Social Insurance Contributions:** Yes, employee-paid health tax likely due on award income, but employer is not required to withhold.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been implemented in Hungary. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive. Notwithstanding the above, a notification to the Hungarian securities regulator may be required within 15 days of the end of the offering period. Contact Baker & McKenzie for further details.	None.	Generally no, provided U.S. (or non-Hungarian) law is the governing law. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Hungary **ESPP**	Tax on discount at purchase. Note that the tax base	May be possible, if reimbursement made. Written reimbursement	**Income Tax:** No.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European	None.	Generally no, provided U.S. (or non-Hungarian) law is the governing law.	Written consent from employees for the transfer of data abroad is strongly

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	may be reduced if the employee is required to pay health tax contributions (which is likely the case). Tax on sale.	agreement advisable.	**Social Insurance Contributions:** Yes, employee-paid health tax likely due on award income, but employer is not required to withhold.	Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been implemented in Hungary. The offer of the ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exception or exclusion applies. In addition, a notification to the Hungarian securities regulator may be required within 15 days of the end of the offering period. Contact Baker & McKenzie for further details.		Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria. Employees must give special form of written consent to employer for payroll deductions.	recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Hungary **RS/RSU**	Tax likely at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the taxable event. Note that the tax base may be reduced if the employee is required to pay health tax	May be possible, if reimbursement made. Written reimbursement agreement advisable.	**Income Tax:** No. **Social Insurance Contributions:** Yes, employee-paid health tax likely due on award income, but employer is not	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU	None.	Generally no, provided U.S. (or non-Hungarian) law is the governing law. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most,	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	contributions (which is likely the case). Tax on sale.		required to withhold.	or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been implemented in Hungary. However, non-transferable free offers of RS/RSUs are not considered “transferable securities” subject to the EU Prospectus Directive Notwithstanding the above, a notification to the Hungarian securities regulator may be required within 15 days of the end of the offering period. Contact Baker & McKenzie for further details.		if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	as notification or registration obligations).
Hungary **Cash Award**	Tax at payment. Taxable amount is amount of the cash payment.	Generally yes, if subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Withholding and reporting required. **Social Insurance Contributions:** Yes. Employer and employee contributions due and employer must withhold employee portion.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount when calculating termination indemnities, obligation to consult works council, etc. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of awards in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
India OPTION	Tax on spread at exercise (fair market value of the shares must be determined by an Indian merchant bank, unless shares are listed in India). Tax on sale.	Allowed if subsidiary reimburses parent. Reimbursement payment may be subject to exchange control restrictions. Cash-netting to effect the reimbursement is not permitted.	**Income Tax:** Yes. **Social Insurance Contributions:** No.	Likely none, but application of Indian securities laws to non-Indian companies issuing equity awards is unclear.	Reserve Bank of India ("RBI") approval required, unless (1) conditions of general permission are met, (2) no cash is remitted out of India (*e.g.*, options are restricted to cashless-sell all method of exercise) or (3) employee's remittances out of India are within annual limit. If relying on the general permission, employees must use an authorized dealer when funds are remitted to purchase shares and the local entity must submit an annual return to the RBI reporting on the remitted amounts. Repatriation of sale proceeds/dividends is required.	Not generally, provided awards are not part of employment contract.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
India ESPP	Tax on discount at purchase (fair market value of the shares must be determined by an Indian merchant bank, unless shares are listed in India). Tax on sale.	Allowed if subsidiary reimburses parent. Reimbursement payment may be subject to exchange control restrictions. Cash-netting to effect the reimbursement is not permitted.	**Income Tax:** Yes. **Social Insurance Contributions:** No.	Likely none, but application of Indian securities laws to non-Indian companies issuing equity awards is unclear.	Reserve Bank of India ("RBI") approval required, unless (1) conditions of general permission are met or (2) employee's remittances out of India are within annual limit. If relying on the general permission, the local entity must use an authorized dealer when funds are remitted to purchase shares and submit an annual return to the RBI reporting on the	Not generally, provided awards are not part of employment contract.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
					remitted amounts. Repatriation of sale proceeds/dividends is required. *Cash-netting to remit payroll deductions under ESPP is not permitted.		
India **RS/RSU**	Taxation of RS is unclear and depends on rights transferred upon grant. Tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event (as determined by an Indian merchant bank, unless shares are listed in India). Tax on sale.	Allowed if subsidiary reimburses parent. Reimbursement payment may be subject to exchange control restrictions. Cash-netting to effect the reimbursement is not permitted.	**Income Tax:** Yes. **Social Insurance Contributions:** No.	Likely none, but application of Indian securities laws to non-Indian companies issuing equity awards is unclear.	Likely none because no cash is remitted out of India. Repatriation of sale proceeds/dividends is required.	Not generally, provided awards are not part of employment contract.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
India **Cash Award**	Tax at payment. Taxable amount is amount of the cash payment.	Generally yes, if subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Yes. **Social Insurance Contributions:** Yes. Employer and employee contributions due, unless contribution already met. Employer must withhold employee portion.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Indonesia **OPTION**	Likely no tax at exercise unless reimbursement/local tax deduction. If reimbursement/local tax deduction, tax on spread at exercise. Tax on sale.	Likely allowed if subsidiary reimburses parent under a written reimbursement agreement, award income is treated as cash remuneration and the general	**Income Tax:** Likely no, unless subsidiary reimburses parent. **Social Insurance Contributions:** No, unless subsidiary	Yes, registration statement must be filed, if options with value greater than IDR1 billion offered in a 12-month period, options are offered to more than 100 persons or shares are purchased by more than 50 persons in Indonesia. May be possible to obtain waiver from registration requirement. Options limited to cashless exercise avoid registration	Foreign exchange activity and statistical reporting requirements apply.	Not generally, but disclaimer recommended to reduce risk of equity income being included in termination indemnities.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		requirements of deductibility are satisfied.	reimburses parent and the award income is treated as cash remuneration and part of the employees' base salary.	requirement.			requirements (such as notification or registration obligations).
Indonesia **ESPP**	Likely no tax at purchase unless reimbursement/local tax deduction. If reimbursement/local tax deduction, tax on discount at purchase. Tax on sale.	Likely allowed if subsidiary reimburses parent under a written reimbursement agreement, award income is treated as cash remuneration and the general requirements of deductibility are satisfied.	**Income Tax:** Likely no, unless subsidiary reimburses parent. **Social Insurance Contributions:** No, unless subsidiary reimburses parent and the award income is treated as cash remuneration and part of the employees' base salary.	Yes, registration statement must be filed if shares under ESPP with value greater than IDR1 billion offered in a 12-month period, ESPP offered to more than 100 persons or shares are purchased by more than 50 persons in Indonesia. May be possible to obtain waiver from registration requirement.	Foreign exchange activity and statistical reporting requirements apply.	Not generally, but disclaimer recommended to reduce risk of equity income being included in termination indemnities.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Indonesia **RS/RSU**	Tax at grant likely for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Tax on sale.	Likely allowed if subsidiary reimburses parent under a written reimbursement agreement, award income is treated as cash remuneration and the general requirements of deductibility are satisfied.	**Income Tax:** Likely no, unless subsidiary reimburses parent. **Social Insurance Contributions:** No, unless subsidiary reimburses parent and the award income is treated as cash remuneration and part of the employees' base salary.	No, provided no cash consideration paid by employees.	Foreign exchange activity and statistical reporting requirements apply.	Not generally, but disclaimer recommended to reduce risk of equity income being included in termination indemnities.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Indonesia **Cash Award**	Tax at payment. Taxable amount is amount of the cash payment.	Generally yes, if subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Yes. **Social Insurance Contributions:** Likely yes, unless it	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount when calculating	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy

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			can be argued that awards not part of employee's regular salary.			termination indemnities, obligation to consult works council, etc.	privacy counsel to determine any other requirements (such as notification or registration obligations).
Ireland **OPTION**	Generally, tax on spread at exercise. Favorable tax treatment for options granted under an approved plan ceased to apply to gains arising on or after November 24, 2010. (See ESPP section for information on tax qualified scheme.) Tax on sale, subject to annual exclusion.	Generally allowed if subsidiary reimburses parent under a written reimbursement agreement and certain conditions are met including shareholder approval and approval by the local entity's directors.	**Income Tax:** Annual reporting of grant and exercise required for options. Reporting must be completed electronically. Withholding is not required for options. **Social Insurance Contributions:** Universal Social Charges ("USC") are due. Employee social insurance contributions (PRSI charges) are due. Employer is not required to withhold PRSI or USC on options. Employer PRSI does not apply.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Ireland. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive. Non-transferable stock options also fall outside the definition of "local offer" pursuant to the Investment Funds, Companies and Miscellaneous Provisions Act 2005. Directors, shadow directors and the secretary of an Irish subsidiary with interests exceeding 1% of the company's voting share capital must comply with certain reporting requirements in connection with their acquisition and disposition of securities (including options and shares) in the parent.	None.	Generally no, but employee should be required to sign/accept an agreement acknowledging the discretionary nature of the grant. Part-time employees likely entitled to pro rata benefits. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Ireland **ESPP**	Generally, tax on discount at purchase. Tax qualification available for certain	Generally allowed if subsidiary reimburses parent under a written reimbursement	**Income Tax:** Annual reporting of grant and purchase required for ESPP if	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries.	None.	Generally no, but employee should be required to sign/accept an agreement acknowledging the	Written consent from employees for the transfer of data abroad is strongly recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	share scheme (*e.g.*, SAYE) which defers income tax until sale, provided certain conditions are met. However, employee social insurance contributions are due on any benefit realized at purchase under such a scheme. Tax on sale, subject to annual exclusion.	agreement and certain conditions are met including shareholder approval and approval by the local entity's directors.	ESPP is treated as an "option" for purposes of Irish tax law which is generally the case. Reporting must be completed electronically. Withholding will generally not apply assuming the ESPP is treated as an "option" for purposes of Irish tax law. **Social Insurance Contributions:** Universal Social Charges ("USC") are due on all equity award income. Employee social insurance contributions (PRSI charges) are due on all equity award income. Obligation to withhold PRSI and USC will generally not apply assuming the ESPP is treated as an "option" for purposes of Irish tax law. Employer PRSI does not apply.	However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in Ireland. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies. In addition, depending on the value of the offer in Ireland, the offer may fall within the definition of a "local offer" under the Investment Funds, Companies and Miscellaneous Provisions Act 2005 and require certain disclosures ("health warnings"). Directors, shadow directors and the secretary of an Irish subsidiary with interests exceeding 1% of the company's voting share capital must comply with certain reporting requirements in connection with their acquisition and disposition of securities (including purchase rights and shares) in the parent.		discretionary nature of the grant. Part-time employees likely entitled to pro rata benefits. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Ireland **RS/RSU**	Tax at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Tax on sale, subject to annual exclusion.	Generally allowed if subsidiary reimburses parent under a written reimbursement agreement and certain conditions are met including shareholder approval and approval by the local entity's directors.	**Income Tax:** Reporting through PAYE system at grant for RS/vesting for RSUs. Annual reporting specific to equity awards is no longer required. Withholding required. **Social Insurance Contributions:** Universal Social Charges ("USC") are due. Employee social insurance contributions (PRSI charges) are due. Employer is required to withhold USC and employee PRSI due on RS/RSU. Employer PRSI does not apply.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Ireland. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive. Free offers of RS/RSUs also fall outside the definition of "local offer" pursuant to the Investment Funds, Companies and Miscellaneous Provisions Act 2005. Directors, shadow directors and the secretary of an Irish subsidiary with interests exceeding 1% of the company's voting share capital must comply with certain reporting requirements in connection with their acquisition and disposition of securities (including RS, RSUs and shares) in the parent.	None.	Generally no, but employee should be required to sign/accept an agreement acknowledging the discretionary nature of the grant. Part-time employees likely entitled to pro rata benefits. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Ireland **Cash Award**	Taxed at payment. Taxable amount is amount of cash payment.	Generally allowed if subsidiary reimburses parent under a written reimbursement agreement and certain conditions are met including shareholder approval and approval by the local entity's directors.	**Income Tax:** Yes. **Social Insurance Contributions:** Universal Social Charges ("USC") are due. Employee and employer social	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount when calculating termination indemnities, obligation to consult works council, etc. Part-time employees likely	Written consent from employees for the transfer of data abroad is strongly recommended. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			insurance contributions (PRSI charges) are due. Employer is required to withhold USC and employee PRSI due.			entitled to pro-rata benefits. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of cash awards and other incentives in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continue vesting) for those meeting the criteria.	obligations).
Israel OPTION	Generally, tax on sale, both for awards granted under non-trustee plan and under an approved (Section 102) trustee plan. Under a non-trustee plan, employees are taxed at marginal rates on sale proceeds (minus exercise price). Under an approved trustee plan, the employer may elect either the income method or the capital gain method. Under the income method, employees are taxed at marginal rates on sale proceeds (minus exercise price). Under the capital gain method, employees are taxed at marginal rates on the difference between exercise price and market value of	May be allowed with an approved trustee plan if subsidiary reimburses parent under written reimbursement agreement. In such case, deduction is available for the portion of employee's gain that is taxed as ordinary income at marginal rates, *i.e.*, the entire gain under the income method and a portion of the gain under the capital gain method - *see* Taxation of Employee section for further details. Generally not available with a non-trustee plan.	**Income Tax:** Reporting and withholding at taxable event for non-trustee plans. Trustee is required to withhold and report at sale for approved trustee plan. In addition, an annual report of stock plan activity generally must be filed but filing obligation has been suspended. **Social Insurance Contributions:** Yes, employee and employer contributions due on non-trustee plans and on ordinary income portion under trustee plans (*i.e.*, amount taxed at marginal rates), provided wage base is not exceeded.	Prospectus and reporting requirements apply if grants are made to more than 35 employees. The securities authorities are likely to grant an exemption under certain circumstances.	None.	Generally no, but disclaimer is recommended.	Register databases with personal information pursuant to the Protection of Privacy Law of 1981. Employees' written consent to the collection, use and transfer of data is recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	shares at grant and the remainder is taxed at capital gains rate. Special deposit and lock up periods apply to trustee plans. For purposes of the capital gain method under a trustee plan, market value is calculated as the 30-day average price prior to the date of determination.		Employer/trustee has to withhold employee's contributions.				
Israel ESPP	Generally, tax on sale, both for awards granted under non-trustee plan and under an approved (Section 102) trustee plan. Under a non-trustee plan, employees are taxed at marginal rates on sale proceeds (minus purchase price). It may be possible to apply for a tax ruling providing for the taxable event to be at purchase rather than sale. In this case, marginal rates would apply to difference between purchase price and fair market value of shares at purchase, while capital gains tax rate would apply to any increase in value of shares between purchase and sale. Under an approved trustee plan, the employer may elect either the income method or the capital	May be allowed with an approved trustee plan if subsidiary reimburses parent under written reimbursement agreement. In such case, deduction is available for the portion of employee's gain that is taxed as ordinary income, *i.e.,* the entire gain under the income method and a portion of the gain under the capital gain method - *see* Taxation of Employee section for further details. Generally not available with a non-trustee plan.	**Income Tax:** Reporting and withholding at taxable event for non-trustee plans. Trustee is required to withhold and report at sale for approved trustee plan. In addition, an annual report of stock plan activity generally must be filed but filing obligation has been suspended. **Social Insurance Contributions:** Yes, employee and employer contributions due on non-trustee plans and on ordinary income portion under trustee plans (*i.e.*, amount taxed at marginal rates), provided wage base is not exceeded. Employer/trustee has to withhold employee's contributions.	Prospectus and reporting requirements apply if grants are made to more than 35 employees. The securities authorities are likely to grant an exemption under certain circumstances.	None.	Generally no, but disclaimer is recommended.	Register databases with personal information pursuant to the Protection of Privacy Law of 1981. Employees' written consent to the collection, use and transfer of data is recommended.

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	gain method. Under the income method, employees are taxed at marginal rates on sale proceeds (minus purchase price). Under the capital gain method, employees are taxed at marginal rates on the difference between purchase price and market value of shares at purchase and the remainder is taxed at capital gains rate. Special deposit and lock up periods apply to trustee plans. For purposes of the capital gain method under a trustee plan, market value is calculated as the 30-day average price prior to the date of determination. Note that the Israeli tax authorities have recently indicated that they will offer two "green track" rulings for ESPP which provide a simplified process for obtaining the tax treatment explained above.						
Israel **RS/RSU**	Generally, tax on sale, both for awards granted under non-trustee plan and under an approved (Section 102) trustee plan. Under a non-trustee plan, employees are taxed at marginal rates on sale proceeds. It may be possible to apply for a ruling	May be allowed with an approved trustee plan if subsidiary reimburses parent under written reimbursement agreement. In such case, deduction is available for the portion of employee's gain that is taxed as	**Income Tax:** Reporting and withholding at taxable event for non-trustee plans. Trustee is required to withhold and report at sale for approved trustee plan. In addition, an annual report of stock plan activity generally	Prospectus and reporting requirements apply if grants are made to more than 35 employees. The securities authorities are likely to grant an exemption under certain circumstances.	None.	Generally no, but disclaimer is recommended.	Register databases with personal information pursuant to the Protection of Privacy Law of 1981. Employees' written consent to the collection, use and transfer of data is recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	providing for the taxable event to be at vesting rather than sale. In this case, marginal rates would apply to fair market value of shares at vesting while capital gains tax rate would apply to any increase in value of shares between vesting and sale. Under an approved trustee plan, the employer may elect either the income method or the capital gain method. Under the income method, employees are taxed at marginal rates on sale proceeds. Under the capital gain method, employees are taxed at marginal tax rates on the market value of the underlying shares at grant and at capital gains tax rate on the additional gain at sale. Special deposit and lock up periods apply to trustee plans. For purposes of the capital gain method under a trustee plan, market value is calculated as the 30-day average price prior to the date of determination.	ordinary income at marginal rates, *i.e.,* the entire gain under the income method and a portion of the gain under the capital gain method - *see* Taxation of Employee section for further details. Generally not available with a non-trustee plan.	must be filed but filing obligation has been suspended. **Social Insurance Contributions:** Yes, employee and employer contributions due on non-trustee plans and on ordinary income portion under trustee plans (*i.e.*, amount taxed at marginal rates), provided wage base is not exceeded. Employer/trustee has to withhold employee's contributions.				
Israel **Cash Award**	Tax on the amount of cash payment at the time of payment.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Withholding required. **Social Insurance Contributions:** Yes. Employer and employee	None.	None.	Generally no, but awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount when calculating	Register databases with personal information pursuant to the Protection of Privacy Law of 1981. Employees' written consent to the

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			contributions due and employer must withhold employee portion.			termination indemnities, obligation to consult works council, etc. Written disclaimer should be included in grant documents to reduce risk of entitlement.	collection, use and transfer of data is recommended.
Italy **OPTION**	Tax at exercise on spread. Annual exemption may apply to first €2,065 of spread if shares held three years from date of exercise and certain other requirements met. Tax on sale. A Foreign Financial Asset Tax may be assessed on the value of shares held outside of Italy. *Under Italian tax law, the fair market value of the shares is calculated based on the one-month average price prior to the date of determination.	Allowed if subsidiary reimburses parent under a written agreement. The deduction may be limited to accounting expense of award based upon OECD guidelines on transfer pricing and may increase labor risks.	**Income Tax:** Withholding and reporting required, unless income is exempt from tax (based on €2,065 exemption). **Social Insurance Contributions:** Social insurance contributions do not apply.	Italian financial intermediary is generally required regardless of number of offerees (exception for (i) offers made in person/hard-copy or (ii) options subject to cashless sell-all method of exercise). The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Italy. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.	Minor reporting requirements may apply for employees.	Possible entitlement issues. Although the risks may be reduced if employees acknowledge discretionary nature of plan and that award income is excluded from salary, a Milan labor court has ruled that income from a stock option exercise is employment compensation. Employees should also expressly agree to accept certain non-negotiated terms of the award. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries (including Italy) have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Employee consent required for collection/transfer of data, unless necessary to conclude/perform a contract. Appointment of data controller in Italy may be required. Companies should check with their data privacy counsel to determine any other requirements.
Italy **ESPP**	Tax at purchase on discount. Annual exemption may apply to first €2,065 of	Allowed if subsidiary reimburses parent under a written	**Income Tax:** Withholding and reporting required,	Italian financial intermediary is generally required regardless of number of offerees (exception for offers made in person/hard-copy).	Minor reporting requirements may apply for employees.	Possible entitlement issues. Although the risks may be reduced if employees acknowledge	Employee consent required for collection/transfer of data, unless

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	discount if shares held three years from date of purchase and certain other requirements met. Tax on sale. A Foreign Financial Asset Tax may be assessed on the value of shares held outside of Italy. *Under Italian tax law, the fair market value of the shares is calculated based on the one-month average price prior to the date of determination.	agreement. The deduction may be limited to accounting expense of award based upon OECD guidelines on transfer pricing and may increase labor risks.	unless income is exempt from tax (based on €2,065 exemption). **Social Insurance Contributions:** Employee and employer social insurance contributions apply (to the extent applicable wage ceiling not already met), unless €2,065 exemption applies to income. If applicable, employer must withhold employee's contributions.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in Italy. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies.		discretionary nature of plan and that award income is excluded from salary, a Milan labor court has ruled that income from a stock option exercise is employment compensation. Employees should also expressly agree to accept certain non-negotiated terms of the award. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries (including Italy) have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	necessary to conclude/perform a contract. Appointment of data controller in Italy may be required. Companies should check with their data privacy counsel to determine any other requirements.
Italy **RS/RSU**	Tax at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Annual exemption may apply to first €2,065 of taxable amount if shares held three years from date of grant (RS) or vesting (RSU) and certain other	Allowed if subsidiary reimburses parent under a written agreement. The deduction may be limited to accounting expense of award based upon OECD guidelines on transfer pricing and may increase	**Income Tax:** Withholding and reporting required, unless income is exempt from tax (based on €2,065 exemption). **Social Insurance Contributions:** Employee and	Generally, none. Financial intermediary requirement does not apply to RS/RSU. The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member	Minor reporting requirements may apply for employees.	Possible entitlement issues. Although the risks may be reduced if employees acknowledge discretionary nature of plan and that award income is excluded from salary, a Milan labor court has ruled that income from a stock option exercise is employment compensation. Employees should also	Employee consent required for collection/transfer of data, unless necessary to conclude/perform a contract. Appointment of data controller in Italy may be required. Companies should

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	requirements are met. Tax on sale. A Foreign Financial Asset Tax may be assessed on the value of shares held outside of Italy. *Under Italian tax law, the fair market value of the shares is calculated based on the one-month average price prior to the date of determination.	labor risks.	employer social insurance contributions apply (to the extent applicable wage ceiling not already met), unless (i) €2,065 exemption applies to income or (ii) RS/RSU not granted to generality of employees and are subject to vesting conditions. If applicable, employer must withhold employee's contributions.	state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Italy. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.		expressly agree to accept certain non-negotiated terms of the award. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries (including Italy) have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	check with their data privacy counsel to determine any other requirements.
Italy **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of the award. Written agreement recommended.	**Income Tax:** Withholding and reporting required. **Social Insurance Contributions:** Employee and employer social insurance contributions apply to the cash payment (to the extent applicable wage ceiling not already met). If applicable, employer must withhold employee's contributions.	None.	Minor reporting requirements may apply for employees.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. However, employees should be required to acknowledge discretionary nature of plan and that award income is excluded from salary. Employees should also expressly agree to accept certain non-negotiated terms of the award. Discrimination against part-time employees is	Employee consent required for collection/transfer of data, unless necessary to conclude/perform a contract. Appointment of data controller in Italy may be required. Companies should check with their data privacy counsel to determine any other requirements.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
						generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries (including Italy) have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Japan OPTION	Tax on spread at exercise, likely as salary (remuneration) income. Tax authorities are challenging employees who claim option income as occasional income, which is taxable at a lower effective rate. Tax on sale.	Likely available if (i) reimbursement is made pursuant to a written reimbursement agreement, (ii) the award income is classified as remuneration income, and (iii) amount reimbursed is determined in accordance with general accounting conventions. However, no deduction is available for awards granted to officers or directors of the local entity.	**Income Tax:** Generally no withholding, unless the subsidiary is significantly involved in operation of plan and delivery of payment to employees. Annual reporting required (assuming local entity is at least 50% owned by issuer and that no withholding is required). **Social Insurance Contributions:** Generally, no.	Yes, depending on value and size of offering. However, regardless of value and size of offering, companies making grants solely to employees of a direct and wholly-owned sub, or a wholly-owned second tier sub classified as a KK are not required to make any securities filings or to prepare a company information statement. If the exemption does not apply, grants to 50 or more offerees in excess of ¥100,000,000 require an extensive filing in addition to ongoing filings; grants to 50 or more offerees between ¥10,000,000 and ¥100,000,000 also require (less extensive) filing. Aggregation rules apply (12-month aggregation rule applies to the value threshold; 6-month aggregation rule applies to the 50 offeree threshold). Cashless exercise restriction does not avoid securities requirements for options.	Employee must notify Ministry of Finance of share purchases in excess of ¥30,000,000. An additional notification is required for purchase of shares with a value in excess of ¥100,000,000.	Generally, no, if right to terminate plan is reserved in writing.	Employee's consent to the collection, use and transfer of data is recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Japan **ESPP**	Tax on discount at purchase, likely as salary (remuneration) income. Tax authorities are challenging employees who claim ESPP income as occasional income, which is taxable at a lower effective rate. Tax on sale.	Likely available if (i) reimbursement is made pursuant to a written reimbursement agreement, (ii) the award income is classified as remuneration income, and (iii) amount reimbursed is determined in accordance with general accounting conventions. However, no deduction is available for awards granted to officers or directors of the local entity.	**Income Tax:** Generally no withholding, unless the subsidiary is significantly involved in operation of plan and delivery of payment to employees. Annual reporting required (assuming local entity is at least 50% owned by issuer and that no withholding is required). **Social Insurance Contributions:** Generally, no.	Yes, depending on value and size of offering. However, regardless of value and size of offering, companies making grants solely to employees of a direct and wholly-owned sub, or a wholly-owned second tier sub classified as a KK are not required to make any securities filings or to prepare a company information statement. If the exemption does not apply, grants to 50 or more offerees in excess of ¥100,000,000 require an extensive filing in addition to ongoing filings; grants to 50 or more offerees between ¥10,000,000 and ¥100,000,000 also require (less extensive) filing. Aggregation rules apply (12-month aggregation rule applies to the value threshold; 6-month aggregation rule applies to the 50 offeree threshold). Forced sale restriction does not avoid securities requirements for ESPP.	Employee must notify Ministry of Finance of share purchases in excess of ¥30,000,000. (The local entity may be required to fulfill this notification requirement since it is the entity transferring the payroll deductions to the issuer.) An additional notification is required for purchase of shares with a value in excess of ¥100,000,000.	Generally, no, if right to terminate plan is reserved in writing. *An agreement between an employee representative and the local entity must be signed for payroll deductions to be permitted under an ESPP. Separate account should be established unless deductions immediately remitted to parent/broker.	Employee's consent to the collection, use and transfer of data is recommended.
Japan **RS/RSU**	Likely tax at vesting; however, tax consequences are uncertain and tax at grant is possible (especially if RS/RSU carries voting/dividend rights). Taxable amount is fair market value of the shares on the tax event. RS/RSU income likely classified as salary (remuneration) income. Tax authorities are challenging employees who claim RS/RSU income as occasional income, which is taxable at a lower effective rate. Tax on sale.	Likely available if (i) reimbursement is made pursuant to a written reimbursement agreement, (ii) the award income is classified as remuneration income, and (iii) amount reimbursed is determined in accordance with general accounting conventions. However, for RSU, no deduction is available for awards granted to officers or directors of the local entity; for RS, deduction is only available for awards granted to officers and directors under certain conditions.	**Income Tax:** Generally no withholding, unless the subsidiary is significantly involved in operation of plan and delivery of payment to employees. Annual reporting required (assuming local entity is at least 50% owned by issuer and assuming no withholding is required). **Social Insurance Contributions:** Generally, no.	Generally, none.	None.	Generally, no, if right to terminate plan is reserved in writing.	Employee's consent to the collection, use and transfer of data is recommended.

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Japan **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears cost of award. Written agreement recommended. However, it may not be possible to take a deduction for awards granted to officers or directors of the local entity.	**Income Tax:** Generally yes, based on the local subsidiary being involved in the payment through local payroll. No separate reporting required, assuming withholding is done. **Social Insurance Contributions:** Potentially, if the cash payment is considered part of the employee's wage base for social insurance purposes. If applicable, employee and employer contributions apply and the employer must withhold employee's portion.	None.	None.	Generally, no, if right to terminate plan is reserved in writing. However, awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks.	Employee's consent to the collection, use and transfer of data is recommended.
Korea **OPTION**	Tax on spread at exercise. Tax on sale, subject to an exclusion.	Yes, if reimbursement made by subsidiary to the parent and certain other conditions satisfied. (Exchange control restrictions may impact ability to implement reimbursement arrangement.)	**Income Tax:** Generally no, provided subsidiary does not reimburse parent. **Social Insurance Contributions:** Yes, employee and employer social insurance contributions apply. Employer technically required to withhold employee contributions.	Generally, no, as employee exemption should apply.	Remittance of funds to purchase shares must be "confirmed" by a Korean foreign exchange bank if funds wired abroad. Repatriation of sale proceeds/dividends in excess of certain amount required. It is currently unclear whether prior approval from the Bank of Korea is required and would be provided for the local entity to reimburse the issuer for the cost of awards under the plan. Please contact Baker &	Written disclaimer should be included in grant documents to reduce risk of entitlement. Equity income likely will constitute "wages," particularly if there is reimbursement.	Personal Information Protection Act in effect. Written consent from employees for the collection, use and transfer of data abroad is required and specific data and recipients must be named.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
					McKenzie for more details.		
Korea **ESPP**	Tax on discount at purchase. Tax on sale, subject to an exclusion.	Yes, if reimbursement made by subsidiary to the parent and certain other conditions satisfied. (Exchange control restrictions may impact ability to implement reimbursement arrangement.)	**Income Tax:** Generally no, provided subsidiary does not reimburse parent. **Social Insurance Contributions:** Yes, employee and employer social insurance contributions apply. Employer technically required to withhold employee contributions.	Generally, no, as employee exemption should apply.	Remittance of funds to purchase shares must be "confirmed" by a Korean foreign exchange bank if funds wired abroad. If intercompany offset used to effect purchase of shares, the local entity must report the intercompany offset to the foreign exchange bank at the time of offset. However, it is currently unclear whether such an intercompany offset is permissible. Repatriation of sale proceeds/dividends in excess of certain amount required. It is currently unclear whether prior approval from the Bank of Korea is required and would be provided for the local entity to reimburse the issuer for the cost of awards under the plan. Please contact Baker & McKenzie for more details.	Written disclaimer should be included in grant documents to reduce risk of entitlement. Equity income likely will constitute "wages," particularly if there is reimbursement. Co-mingling of payroll deductions with general corporate funds is not permitted, so a separate bank account is recommended.	Personal Information Protection Act in effect. Written consent from employees for the collection, use and transfer of data abroad is required and specific data and recipients must be named.
Korea **RS/RSU**	Tax at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Tax on sale, subject to an exclusion.	Yes, if reimbursement made and certain other conditions satisfied. (Exchange control restrictions may impact ability to implement reimbursement	**Income Tax:** Generally no, provided sub does not reimburse parent. **Social Insurance Contributions:** Yes, employee and employer social	Generally, no, as employee exemption should apply.	Repatriation of sale proceeds/dividends in excess of certain amount required. It is currently unclear whether prior approval from the Bank of Korea is required and would be provided for the local entity to	Written disclaimer should be included in grant documents to reduce risk of entitlement. Equity income likely will constitute "wages," particularly if there is reimbursement.	Personal Information Protection Act in effect. Written consent from employees for the collection, use and transfer of data abroad is required and specific data

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		arrangement.)	insurance contributions apply. Employer technically required to withhold employee contributions.		reimburse the issuer for the cost of awards under the plan. Please contact Baker & McKenzie for more details.		and recipients must be named.
Korea **Cash Award**	Tax on the amount of cash payment at the time of payment.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Withholding required. **Social Insurance Contributions:** Yes, employee and employer social insurance contributions apply. Employer must withhold employee portion.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount when calculating termination indemnities, obligation to consult works council, etc. Written disclaimer should be included in grant documents to reduce risk of entitlement. The cash payment will constitute "wages."	Personal Information Protection Act in effect. Written consent from employees for the collection, use and transfer of data abroad is required and specific data and recipients must be named.
Malaysia **OPTION**	Tax due on the lower of (1) the difference between exercise price and fair market value of the shares at vesting, and (2) difference between exercise price and fair market value of shares at exercise, but tax will be payable only at exercise. No tax on sale unless employee is in business of buying and selling securities and the gains are remitted to Malaysia. *For Malaysian tax purposes, the fair market value of the stock is the average of the high and low price of the stock on a given date.	Generally yes, if subsidiary reimburses parent for costs associated with plan. However, such deduction is not available for newly issued shares. Written agreement recommended. Subsidiary may not reimburse for costs allocated to awards made to directors.	**Income Tax:** Subsidiary required to notify Inland Revenue Board of each grant. Subsidiary also has to report all taxable events on an annual basis on a prescribed form. Withholding required unless employee elects in writing to pay income tax on his/her own. **Social Insurance Contributions:** Generally, no.	Filing of Information Memorandum with Malaysian Securities Commission required within seven days of each distribution of grant materials to employees in Malaysia. Filing must contain all of the grant materials distributed to employees in Malaysia.	None.	No, provided employee is not contractually entitled to the grant.	Personal Data Protection Act was adopted by Parliament in June 2010 and is effective as of November 2013. Employees' written consent for collection, use and transfer of their data is required under the Act and consent language should be provided in local language.

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	For options granted prior to January 1, 2006, employee may elect to be taxed under old rules (*i.e.*, tax on the discount at grant using average between high and low price, but tax due at exercise).						
Malaysia **ESPP**	Tax on the discount at purchase. No tax on sale unless employee is in business of buying and selling securities. *For Malaysian tax purposes, the fair market value of the stock is the average of the high and low price of the stock on a given date.	Generally yes, if subsidiary reimburses parent for costs associated with plan. However, such deduction is not available for newly issued shares. Written agreement recommended. Subsidiary may not reimburse for costs allocated to awards made to directors.	**Income Tax:** Subsidiary required to notify Inland Revenue Board of each grant. Subsidiary also has to report all taxable events on an annual basis on a prescribed form. Withholding will be required unless employee elects in writing to pay income tax on his/her own. **Social Insurance Contributions:** Generally, no.	Filing of Information Memorandum with Malaysian Securities Commission required within seven days of each distribution of grant materials to employees in Malaysia. Filing must contain all of the grant materials distributed to employees in Malaysia.	None.	No, provided employee is not contractually entitled to the grant. *For employees whose wages do not exceed MYR2,000 per month or who engage in manual labor or the transport of vehicles, payroll deductions under ESPP generally must be approved by the Director-General of Labour. In at least one Malaysian state, obtaining the employees' consent for payroll deductions may be sufficient.	Personal Data Protection Act was adopted by Parliament in June 2010 and is effective as of November 2013. Employees' written consent for collection, use and transfer of their data is required under the Act and consent language should be provided in local language.
Malaysia **RS/RSU**	RS/RSUs likely taxed at vesting. Taxable amount is fair market value of the shares on the tax event. No tax on sale unless employee is in business of buying and selling securities. *For Malaysian tax purposes, the fair market value of the stock is the average of the high and low price of the stock on a given date.	Generally yes, if subsidiary reimburses parent for costs associated with plan. However, such deduction is not available for newly issued shares. Written agreement recommended. Subsidiary may not reimburse for costs allocated to awards made to directors.	**Income Tax:** Subsidiary required to notify Inland Revenue Board of each grant. Subsidiary also has to report all taxable events on an annual basis on a prescribed form. Withholding will be required unless employee elects in writing to pay income tax on his/her own. **Social Insurance Contributions:**	Filing of Information Memorandum with Malaysian Securities Commission required within seven days of each distribution of grant materials to employees in Malaysia. Filing must contain all of the grant materials distributed to employees in Malaysia.	None.	No, provided employee is not contractually entitled to the grant.	Personal Data Protection Act was adopted by Parliament in June 2010 and is effective as of November 2013. Employees' written consent for collection, use and transfer of their data is required under the Act and consent language should be provided in local language.

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			Generally, no.				
Malaysia **Cash Award**	Taxable event likely will be at vesting. The taxable amount will be the fair market value of the underlying shares at vesting.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended. Different rules apply to awards made to directors of the local entity.	**Income Tax:** Subsidiary required to notify Inland Revenue Board of each grant. Subsidiary also has to report all taxable events on an annual basis on a prescribed form. Withholding will be required unless employee elects in writing to pay income tax on his/her own. **Social Insurance Contributions:** Employee Provident Fund and Social Security Organization contributions may apply to cash payment, depending on specific details of cash award and whether it falls within the definition of wages for these purposes.	It is arguable whether the securities filing requirement that applies to stock-settled awards also applies to cash-settled awards. If applicable, filing of Information Memorandum with Malaysian Securities Commission required within seven days of each distribution of grant materials to employees in Malaysia. Filing must contain all of the grant materials distributed to employees in Malaysia.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount when calculating termination indemnities, obligation to consult works council, etc. In Malaysia, entitlement risk is low, provided employee is not contractually entitled to the grant and disclaimer language is included in grant documents.	Personal Data Protection Act was adopted by Parliament in June 2010 and is effective as of November 2013. Employees' written consent for collection, use and transfer of their data is required under the Act and consent language should be provided in local language.
Mexico **OPTION**	Tax on spread at exercise. Tax on sale.	Yes, if subsidiary reimburses parent. Written reimbursement agreement required.	**Income Tax:** Reporting and withholding if reimbursement by subsidiary to the parent. **Social Insurance Contributions:** Probably, if reimbursement is made; however, it is likely the social insurance ceiling will have already been	None.	None.	Possible plan entitlement issues, especially if subsidiary reimburses parent and/or options granted on regular basis. Written disclaimer should be included (in English and Spanish) to reduce risk of entitlement.	Federal privacy law enacted in July 2010 requires employers to appoint an individual or establish a data privacy department, inform employees of collection of personal data and obtain consent to processing, disclosure and transfer of personal data.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			met.				
Mexico **ESPP**	Tax on discount at purchase. Tax on sale.	Yes, if subsidiary reimburses parent. Written reimbursement agreement required.	**Income Tax:** Reporting and withholding if reimbursement by subsidiary to the parent. **Social Insurance Contributions:** Probably, if reimbursement is made; however, it is likely the social insurance ceiling will have already been met.	None.	None.	Possible plan entitlement issues, especially if subsidiary reimburses parent. Written disclaimer should be included (in English and Spanish) to reduce risk of entitlement.	Federal privacy law enacted in July 2010 requires employers to appoint an individual or establish a data privacy department, inform employees of collection of personal data and obtain consent to processing, disclosure and transfer of personal data.
Mexico **RS/RSU**	Timing of taxation of RS is unclear as between grant and vesting due to lack of specific guidance and may depend on ownership rights at grant. Tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Tax on sale.	Yes, if subsidiary reimburses parent. Written reimbursement agreement required.	**Income Tax:** Reporting and withholding if reimbursement by subsidiary to the parent. **Social Insurance Contributions:** Probably, if reimbursement is made; however, it is likely the social insurance ceiling will have already been met.	None.	None.	Possible plan entitlement issues, especially if subsidiary reimburses parent and/or RS/RSUs granted on regular basis. Written disclaimer should be included (in English and Spanish) to reduce risk of entitlement.	Federal privacy law enacted in July 2010 requires employers to appoint an individual or establish a data privacy department, inform employees of collection of personal data and obtain consent to processing, disclosure and transfer of personal data.
Mexico **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Yes, if subsidiary reimburses parent. Written reimbursement agreement required.	**Income Tax:** Reporting and withholding required. **Social Insurance Contributions:** Yes, employee and employer social insurance contributions likely	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc.	Federal privacy law enacted in July 2010 requires employers to appoint an individual or establish a data privacy department, inform employees of collection of personal data and obtain consent to

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			due; however, it is likely the social insurance ceiling will have already been met.			In addition, the risk of plan entitlement issues increases if awards are granted on regular basis. Written disclaimer should be included (in English and Spanish) to reduce risk of entitlement.	processing, disclosure and transfer of personal data.
Morocco OPTION	Income tax on the spread at exercise. Tax on the date that sales proceeds are repatriated to Morocco. Please see "Exchange Controls" section.	Deduction available if the subsidiary reimburses the parent for the options. Prior approval of the exchange control authorities is required for reimbursement payments.	**Income Tax:** Withholding and reporting required. The employer must submit an annual statement detailing all options granted and shares issued to employees to the tax authorities with declaration of salaries. **Social Insurance Contribution:** Withholding required.	None, provided the underlying shares are not traded on the Moroccan Securities Exchange.	Companies may grant equity awards without approval from the exchange control authorities (Office des Changes or "OdC") to employees of Moroccan subsidiaries in which they have more than a 50% direct or indirect interest. Absent an exemption from the OdC, the funds used to exercise the options, including through a cashless exercise, cannot exceed 10% of the employee's net annual remuneration. Sale proceeds and dividends must be repatriated to Morocco within 30 days. Subsidiary must report repatriation to OdC on an annual and semi annual basis.	Written disclaimer recommended to reduce risk of plan entitlement.	Employee's written consent to the transfer of personal data abroad is required. In addition, a declaration must be filed with the National Commission for Data Protection, or prior authorization is required if sensitive data is being collected and used in connection with the options.
Morocco ESPP	Tax on the discount at purchase. Tax on the date that sales proceeds are repatriated to Morocco. Please see "Exchange	Deduction available if the subsidiary reimburses the parent for the plan. Prior approval of the exchange control authorities is required for	**Income Tax:** Withholding and reporting required. The employer must submit an annual statement detailing all purchase rights	Likely none, provided the underlying shares are not traded on the Moroccan Securities Exchange and provided that the Moroccan Securities Commission agrees that the offer of purchase rights under an ESPP is eligible for the exemption from the prospectus requirement applicable to	Companies may grant equity awards without approval from the exchange control authorities (Office des Changes or "OdC") to employees of Moroccan subsidiaries in which they have	Written disclaimer recommended to reduce risk of plan entitlement.	Employee's written consent to the transfer of personal data abroad is required. In addition, a declaration must be filed with the National Commission for

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	Controls" section.	reimbursement payments.	granted and shares issued to employees to the tax authorities with declaration of salaries. **Social Insurance Contribution:** Withholding required.	non-transferable stock options for which the employee does not pay anything at grant. We recommend confirming the availability of the exemption prior to offering the ESPP in Morocco given inconsistent advice across advisors in this regard.	more than a 50% direct or indirect interest. Absent an exemption from the OdC, the funds used to exercise the purchase rights likely cannot exceed 10% of the employee's net annual remuneration. Sale proceeds and dividends must be repatriated to Morocco within 30 days. Subsidiary must report repatriation to OdC on an annual and semi annual basis.		Data Protection, or prior authorization is required if sensitive data is being collected and used in connection with the ESPP.
Morocco **RS/RSU**	Income tax on the fair market value of the shares at vesting. Tax on the date sales proceeds are repatriated to Morocco.	Deduction available if the subsidiary reimburses the parent for the RS/RSUs. Prior approval of the exchange control authorities is required for reimbursement payments.	**Income Tax:** Withholding and reporting required. **Social Insurance Contribution:** Withholding required.	None, provided the underlying shares are not traded on the Moroccan Securities Exchange.	Companies may grant equity awards without approval from the exchange control authorities (Office des Changes or "OdC") to employees of Moroccan subsidiaries in which they have more than a 50% direct or indirect interest. The 10% of employee's annual net remuneration restriction which applies to options no longer applies to RS/RSUs provided the employee does not pay any amounts to receive the shares. Sale proceeds and dividends must be repatriated to Morocco within 30 days. Subsidiary must report repatriation to OdC on	Written disclaimer recommended to reduce risk of plan entitlement.	Employee's written consent to the transfer of personal data outside Morocco must be obtained. In addition, if not already completed for employment data collection, either a prior authorization must be obtained from, or a declaration must be filed with, the National Commission for Data Protection, depending on the type of data to be collected and used in connection with the RS/RSUs.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
					an annual and semi annual basis.		
Morocco **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Deduction available if the subsidiary reimburses the parent for the awards. Prior approval of the exchange control authorities is required for reimbursement payments.	**Income Tax:** Withholding and reporting required. **Social Insurance Contribution:** Withholding required.	None.	None.	Written disclaimer recommended to reduce risk of plan entitlement.	Employee's written consent to the transfer of personal data abroad is required. In addition, a declaration must be filed with the National Commission for Data Protection, or prior authorization is required if sensitive data is being collected and used in connection with the options.
Netherlands **OPTION**	Tax on spread at exercise. No tax on sale provided employee does not hold a substantial interest (5%) in company's stock. Annual investment yield tax on value of all assets (including shares) in excess of exemption.	No, the availability of a corporate tax deduction for stock-based compensation was eliminated effective January 1, 2007.	**Income Tax:** Withholding and reporting required. **Social Insurance Contributions:** Yes, employee and employer contributions due to the extent applicable wage ceiling not met. If applicable, employer must withhold employee's portion of social insurance contributions.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in the Netherlands. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.	None.	Possible plan entitlement issues. Employee should be required to sign/accept an agreement acknowledging the discretionary nature of the plan. It is advisable to get works council to agree in writing that plan is not an employment condition; otherwise, works council approval may be required to implement or terminate plan and courts may consider plan benefits in calculating severance award. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most countries, including the Netherlands, have adopted local rules	Data transfer in connection with plan administration generally permitted provided certain conditions are met. Data privacy registration requirements generally apply. Companies should check with their data privacy counsel to determine any other requirements.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
						implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Netherlands **ESPP**	Generally, tax on discount at purchase for ESPP. No tax on sale provided employee does not hold a substantial interest (5%) in company's stock. Annual investment yield tax on value of all assets (including shares) in excess of exemption.	No, the availability of a corporate tax deduction for stock-based compensation was eliminated effective January 1, 2007.	**Income Tax:** Withholding and reporting required. **Social Insurance Contributions:** Yes, employee and employer contributions due to the extent applicable wage ceiling not met. If applicable, employer must withhold employee's portion of social insurance contributions.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in the Netherlands. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies.	None.	Possible plan entitlement issues. Employee should be required to sign/accept an agreement acknowledging the discretionary nature of the plan. It is advisable to get works council to agree in writing that plan is not an employment condition; otherwise, works council approval may be required to implement or terminate plan and courts may consider plan benefits in calculating severance award. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most countries, including the Netherlands, have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different	Data transfer in connection with plan administration generally permitted provided certain conditions are met. Data privacy registration requirements generally apply. Companies should check with their data privacy counsel to determine any other requirements.

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				Certain warning language may have to be included in the ESPP offer documents if the offer is outside of the supervision of the AFM and does not require a prospectus.		treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Netherlands **RS/RSU**	Tax at grant for RS; tax at vesting for RSU. Taxable amount is generally fair market value of the shares on the tax event. No tax on sale provided employee does not hold a substantial interest (5%) in company's stock. Annual investment yield tax on value of all assets (including shares) in excess of exemption.	No, the availability of a corporate tax deduction for stock-based compensation was eliminated effective January 1, 2007.	**Income Tax:** Withholding and reporting required. **Social Insurance Contributions:** Yes, employee and employer contributions due to the extent applicable wage ceiling not met. If applicable, employer must withhold employee's portion of social insurance contributions.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in the Netherlands. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.	None.	Possible plan entitlement issues. Employee should be required to sign/accept an agreement acknowledging the discretionary nature of the plan. It is advisable to get works council to agree in writing that plan is not an employment condition; otherwise, works council approval may be required to implement or terminate plan and courts may consider plan benefits in calculating severance award. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most countries, including the Netherlands, have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Data transfer in connection with plan administration generally permitted provided certain conditions are met. Data privacy registration requirements generally apply. Companies should check with their data privacy counsel to determine any other requirements.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Netherlands **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	A local tax deduction is generally available because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Withholding and reporting required.. **Social Insurance Contributions:** Yes, employee and employer contributions due to the extent applicable wage ceiling not met. If applicable, employer must withhold employee's portion of social insurance contributions.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. Employee should be required to sign/accept an agreement acknowledging the discretionary nature of the award. It is advisable to get works council to agree in writing that award is not an employment condition; otherwise, works council approval may be required to implement or terminate award/cash program and courts may consider award benefits in calculating severance award. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most countries, including the Netherlands, have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued	Data transfer in connection with plan administration generally permitted provided certain conditions are met. Data privacy registration requirements generally apply. Companies should check with their data privacy counsel to determine any other requirements.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
						vesting) for those meeting the criteria.	
New Zealand **OPTION**	Tax on spread at exercise. Generally, no tax on sale provided shares are not sold immediately after acquisition. However, foreign investment fund rules may apply.	Allowed if subsidiary reimburses parent under a written reimbursement agreement approved by shareholder(s) of subsidiary and documented.	**Income Tax:** No. Recently enacted legislation provides that, from April 1, 2017, the local subsidiary may *choose* to withhold via the PAYE system , in which case, the employee will not have any tax reporting or payment obligations in relation to the benefit. If the local subsidiary elects to utilize the PAYE option, it must do so in relation to all New Zealand participants in the relevant employee share plan, and the election is irrevocable. Regardless of whether the local subsidiary chooses the PAYE option, the local subsidiary will be required to report any income from the award derived after April 1, 2017 in its monthly schedule. **Social Insurance Contributions:** No.	Yes, but an exemption from the prospectus disclosure requirement should apply. The employee share scheme exemption is available for offers of securities if considered part of the employee's remuneration / made in connection with employment and certain other conditions are satisfied (including providing a prescribed warning statement and certain financial information to employees; in some cases, a notice filing to the authorities may be required). The small offers exemption is available for offers of securities if made to 20 or fewer persons and with a value of NZ2 million or less in a 12 month period and certain other conditions are satisfied (including providing a prescribed warning statement to employees and a notice filing to the authorities). Ongoing financial reporting obligations would arise if the number of shareholders who acquire shares under this exemption is 50 or more. For offers prior to December 1, 2016, the following exemptions may apply: The overseas issuer exemption is generally available for public companies if the issuer complies with exemption requirements by providing prescribed information to employees and filing financial disclosure documents with the authorities. Further, under this exemption, the issuer must comply with requirements of Financial Reporting Act, including filing financial disclosure documents with directors' signatures and signed auditor's report with the authorities. The previously-allotted securities exemption may be available if the	None.	Generally no, if employees sign an agreement containing certain disclaimer language.	Written consent from employees for the collection, use and transfer of data abroad is required. The subsidiary's privacy officer should ensure that data transfers comply with the principles of the Privacy Act.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
				company uses treasury shares to satisfy share issuances and other conditions are met. Note: Companies making grants under a new plan or for the first time in New Zealand should not rely on the above exemptions even for grants made prior to December 1, 2016. [Contact Baker & McKenzie for more details.]()			
New Zealand **ESPP**	Tax on discount at purchase. Generally, no tax on sale provided shares are not sold immediately after acquisition. However, foreign investment fund rules may apply.	Allowed if subsidiary reimburses parent under a written reimbursement agreement approved by shareholder(s) of subsidiary and documented.	**Income Tax:** No. Recently enacted legislation provides that, from April 1, 2017, the local subsidiary may *choose* to withhold via the PAYE system , in which case, the employee will not have any tax reporting or payment obligations in relation to the benefit. If the local subsidiary elects to utilize the PAYE option, it must do so in relation to all New Zealand participants in the relevant employee share plan, and the election is irrevocable. Regardless of whether the local subsidiary chooses the PAYE option, the local subsidiary will be required to report any income from the award derived after April 1, 2017 in its monthly schedule. **Social Insurance**	Yes, but an exemption from the prospectus disclosure requirement should apply. The employee share scheme exemption is available for offers of securities if considered part of the employee's remuneration / made in connection with employment and certain other conditions are satisfied (including providing a prescribed warning statement and certain financial information to employees; in some cases, a notice filing to the authorities may be required). Depending on how the ESPP is structured, this exemption may not be available as a result of the payroll deduction feature which may be viewed as a debt security which is not covered by this exemption. However, as of August 8, 2016, the employee share scheme exemption has effectively been extended to debt securities offered in connection with an ESPP offered by an overseas issuer. The small offering exemption is available for offers of securities if made to 20 or fewer persons and with a value of NZ2 million or less in a 12 month period and certain other conditions are satisfied (including providing a prescribed warning statement to employees and completing a notice filing with the securities regulator). Ongoing financial reporting obligations arise if the number of shareholders who	None.	Generally no, if employees sign an agreement containing certain disclaimer language.	Written consent from employees for the collection, use and transfer of data abroad is required. The subsidiary's privacy officer should ensure that data transfers comply with the principles of the Privacy Act.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			Contributions: No.	acquire shares under this exemption is 50 or more. For offers prior to December 1, 2016, the following exemptions may apply: The overseas issuer exemption is generally available for public companies if the issuer provides prescribed information to employees and files financial disclosure documents with the securities regulator. Further, under this exemption, the issuer must comply with requirements of the Financial Reporting Act, including filing financial disclosure documents with directors' signatures and signed auditor's report with the authorities. The previously-allotted securities exemption may be available if the company uses treasury shares to satisfy share issuances and other conditions are met. Note: Companies making grants under a new plan or for the first time in New Zealand should not rely on the above exemptions even for grants made prior to December 1, 2016. *Generally, payroll deductions for an ESPP must be placed in a trust account. Contact Baker & McKenzie for more details.			
New Zealand **RS/RSU**	Tax at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Generally, no tax on sale provided shares are not sold immediately after acquisition. However, foreign investment fund rules	Allowed if subsidiary reimburses parent under a written reimbursement agreement approved by shareholder(s) of subsidiary and documented.	**Income Tax:** No. Recently enacted legislation provides that, from April 1, 2017, the local subsidiary may *choose* to withhold via the PAYE system , in which case, the employee will not have any tax reporting or payment	For grants prior to December 1, 2016, likely none, assuming there is no purchase price (even a de minimis price). However, for offers prior to December 1, 2016 (if needed), the following exemptions may apply: The overseas issuer exemption is generally available for public companies if the issuer complies with exemption requirements by providing prescribed information to employees and filing financial disclosure	None.	Generally no, if employees sign an agreement containing certain disclaimer language.	Written consent from employees for the collection, use and transfer of data abroad is required. The subsidiary's privacy officer should ensure that data transfers comply with the principles of the Privacy Act.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	may apply.		obligations in relation to the benefit. If the local subsidiary elects to utilize the PAYE option, it must do so in relation to all New Zealand participants in the relevant employee share plan, and the election is irrevocable. Regardless of whether the local subsidiary chooses the PAYE option, the local subsidiary will be required to report any income from the award derived after April 1, 2017 in its monthly schedule. **Social Insurance Contributions:** No.	documents with the authorities. Further, under this exemption, the issuer must comply with requirements of Financial Reporting Act, including filing financial disclosure documents with directors' signatures and signed auditor's report with the authorities. The previously-allotted securities exemption may be available if the company uses treasury shares to satisfy share issuances and other conditions are met. Note: Companies making grants under a new plan or for the first time in New Zealand should not rely on the above exemptions even for grants made prior to December 1, 2016. For grants on or after December 1, 2016, securities laws likely apply, but an exemption from the prospectus disclosure requirement should apply. The employee share scheme exemption is available for offers of securities if considered part of the employee's remuneration / made in connection with employment and certain other conditions are satisfied (including providing a prescribed warning statement and certain financial information to employees; in some cases, a notice filing to the authorities may be required). The small offering exemption is available for offers of securities if made to 20 or fewer persons and with a value of NZ2 million or less in a 12 month period and certain other conditions are satisfied (including providing a prescribed warning statement to employees and a notice filing to the authorities). Ongoing financial reporting obligations would arise if the number of shareholders who acquire shares under this exemption is 50 or more. Contact Baker & McKenzie for more details.			

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
New Zealand **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of the award. Written reimbursement agreement recommended and may need to be approved by shareholder(s) of subsidiary and documented.	**Income Tax:** Yes (including the Accident Compensation Corporation earner levy). **Social Insurance Contributions:** Yes. Employer and employee contributions (KiwiSaver) are due. Employer must withhold employee's contributions.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. Employee should be required to sign/accept an agreement acknowledging the discretionary nature of the plan.	Written consent from employees for the collection, use and transfer of data abroad is required. The subsidiary's privacy officer should ensure that data transfers comply with the principles of the Privacy Act.
Norway **OPTION**	Tax on spread at exercise. Spread realized at exercise may be apportioned over the time period between grant and exercise. Modest reduction of tax may apply if grants made to all employees. Tax on sale. Shares, and possibly vested options, are subject to annual wealth tax.	Probably allowed if subsidiary reimburses parent, especially if treasury shares are issued. Written reimbursement agreement advisable.	**Income Tax:** Yes, withholding and reporting required. **Social Insurance Contributions:** Yes. Employer and employee contributions are due. Employer must withhold employee's contributions.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Norway. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.	Generally, no.	Possible plan entitlement issues. Statement regarding discretionary nature of the plan should be signed by employees. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the collection, use and transfer of data abroad is generally required. If consent is not obtained or if data processing goes beyond scope of consent, it may be necessary to submit an application to the Norwegian Data Inspector. Companies should check with their data privacy counsel to determine any other requirements.
Norway **ESPP**	Tax on discount at purchase. Modest reduction of tax may apply if grants	Probably allowed if subsidiary reimburses parent, especially if treasury shares are	**Income Tax:** Yes, withholding and reporting required. **Social Insurance**	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In	Generally, no.	Possible plan entitlement issues. Statement regarding discretionary nature of the plan should be signed by employees.	Written consent from employees for the collection, use and transfer of data abroad is generally

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	made to all employees. Tax on sale. Shares, and possibly ESPP rights, are subject to annual wealth tax.	issued. Written reimbursement agreement advisable.	**Contributions:** Yes. Employer and employee contributions are due. Employer must withhold employee's contributions.	general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. Changes are proposed which may eventually eliminate the need to file a prospectus for employee share plans. The EU Prospectus Directive has been fully implemented in Norway. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies.		Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	required. If consent is not obtained or if data processing goes beyond scope of consent, it may be necessary to submit an application to the Norwegian Data Inspector. Companies should check with their data privacy counsel to determine any other requirements.
Norway RS/RSU	Tax at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Taxable amount for RSU may be apportioned over the time period between grant and vesting, although this is not entirely clear. Modest reduction of tax may apply if grants made to all employees. Tax on sale. Shares, but not RSUs, are subject to annual wealth tax.	Probably allowed if subsidiary reimburses parent, especially if treasury shares are issued. Written reimbursement agreement advisable.	**Income Tax:** Yes, withholding and reporting required. **Social Insurance Contributions:** Yes. Employer and employee contributions are due. Employer must withhold employee's contributions.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Norway. However, non-transferable offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.	Generally, no.	Possible plan entitlement issues. Statement regarding discretionary nature of the plan should be signed by employees. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the collection, use and transfer of data abroad is generally required. If consent is not obtained or if data processing goes beyond scope of consent, it may be necessary to submit an application to the Norwegian Data Inspector. Companies should check with their data privacy counsel to determine any other requirements.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Norway **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Yes, withholding and reporting required. **Social Insurance Contributions:** Yes. Employer and employee contributions are due. Employer must withhold employee's contributions.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. Statement regarding discretionary nature of the plan should be signed by employees. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the collection, use and transfer of data abroad is generally required. If consent is not obtained or if data processing goes beyond scope of consent, it may be necessary to submit an application to the Norwegian Data Inspector. Companies should check with their data privacy counsel to determine any other requirements.
Peru **OPTION**	Likely tax on spread at exercise. . Tax on sale.	Yes, if subsidiary reimburses parent. Written reimbursement agreement and other documents recommended. Triggers additional employee tax and withholding and reporting obligations.	**Income Tax:** Likely no, if subsidiary does not reimburse parent and not branch or representative office of parent. **Social Insurance Contribution:** Likely no, if no	No registration required. It is recommended to provide certain information to employees, *e.g.*, annual report and/or Form 10-K. [Contact Baker & McKenzie for more details.]()	None.	Written disclaimer recommended to reduce the risk of plan entitlement. However, if subsidiary reimburses parent, option income will be deemed remuneration for labor law purposes unless it is an extraordinary award.	Written consent from employees to transfer of personal data abroad is recommended. Also, the holders of personal data banks are required to register the data banks before the National Registry of Personal Data Protection, as well

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			reimbursement by subsidiary and not branch or representative office of parent because income will not be considered as remuneration. However, if awards granted for two or more consecutive years, employer social insurance contributions and possibly employee national pension contributions may apply.				as communicate any cross-border transfer.
Peru **ESPP**	No tax at purchase. Tax on sale.	Yes, if subsidiary reimburses parent. Written reimbursement agreement and other documents recommended. Triggers additional employee tax and withholding and reporting obligations.	**Income Tax:** Likely no, if subsidiary does not reimburse parent and not branch or representative office of parent. **Social Insurance Contribution:** Likely no, if no reimbursement by subsidiary and not branch or representative office of parent because income will not be considered as remuneration. However, if the purchase rights are granted for two or more consecutive years, employer social insurance contributions and possibly employee national pension contributions may apply.	No registration required. It is recommended to provide certain information to employees, *e.g.*, annual report and/or Form 10-K. Contact Baker & McKenzie for more details.	None.	Written disclaimer recommended to reduce the risk of plan entitlement. However, if subsidiary reimburses parent, ESPP income will be deemed remuneration for labor law purposes.	Written consent from employees to transfer of personal data abroad is recommended. Also, the holders of personal data banks are required to register the data banks before the National Registry of Personal Data Protection, as well as communicate any cross-border.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Peru **RS/RSU**	Likely tax at vesting on fair market value of shares. Tax on sale.	Yes, if subsidiary reimburses parent. Written reimbursement agreement and other documents recommended. Triggers additional employee tax and withholding and reporting obligations.	**Income Tax:** Likely no, if subsidiary does not reimburse parent and not branch or representative office of parent. **Social Insurance Contribution:** Likely no, if no reimbursement by subsidiary and not branch or representative office of parent because income will not be considered as remuneration. However, if the RS/RSUs granted for two or more consecutive years, employer social insurance contributions and possibly employee national pension contributions may apply.	No registration required. It is recommended to provide certain information to employees, *e.g.*, annual report and/or Form 10-K. Contact Baker & McKenzie for more details.	None.	Written disclaimer recommended to reduce the risk of plan entitlement. However, if subsidiary reimburses parent, RS/RSU income will be deemed remuneration for labor law purposes unless it is an extraordinary award.	Written consent from employees to transfer of personal data abroad is recommended. Also, the holders of personal data banks are required to register the data banks before the National Registry of Personal Data Protection, as well as communicate any cross-border.
Peru **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Yes, if subsidiary bears the cost of the awards. Written reimbursement agreement and other documents recommended. Triggers additional employee tax and withholding and reporting obligations.	**Income Tax:** Withholding and reporting required. **Social Insurance Contributions:** Withholding of employee social insurance contributions required. Employer social insurance contributions apply.	No registration required. It is recommended to provide certain information to employees, *e.g.*, annual report and/or Form 10-K. Contact Baker & McKenzie for more details.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc.	Written consent from employees to transfer of personal data abroad is recommended. Also, the holders of personal data banks are required to register the data banks before the National Registry of Personal Data Protection, as well as communicate any cross-border.
Philippines **OPTION**	Tax on spread at exercise.	Probably allowed if subsidiary reimburses parent	**Income Tax:** Likely no, unless	Need to request exemption from Philippines Securities and Exchange Commission and pay exemption fee.	Generally, no.	Not generally, if not an "employer practice." Statement regarding	Written consent from employees for the transfer of data

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	If subsidiary reimburses parent for the spread, fringe benefit tax payable by employer will apply (instead of income tax payable by employee) for non-rank-and-file employees. Tax on sale.	under a written reimbursement agreement and required withholdings are made. Triggers tax withholding and social insurance contributions, as well as employer-paid fringe benefit tax for non-rank-and-file employees.	subsidiary reimburses parent and/or the award is a part of the local compensation arrangement. **Social Insurance Contributions:** Likely no, unless subsidiary reimburses parent and/or the award is a part of the local compensation arrangement.	Ongoing requirements apply. Alternatively, for grants to fewer than 20 employees, a notice of exemption may be filed. Note that rules eliminating the filing requirements for grants to fewer than 20 employees are expected to be issued.		discretionary nature of plan should be acknowledged by employees.	abroad should be obtained. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Philippines **ESPP**	Tax on discount at purchase. If subsidiary reimburses parent for the discount, fringe benefit tax payable by employer will apply (instead of income tax payable by employee) for non-rank-and-file employees. Tax on sale.	Probably allowed if subsidiary reimburses parent under a written reimbursement agreement and required withholdings are made. Triggers tax withholding and social insurance contributions, as well as employer-paid fringe benefit tax for non-rank-and-file employees.	**Income Tax:** Likely no, unless subsidiary reimburses parent and/or the award is a part of the local compensation arrangement. **Social Insurance Contributions:** Likely no, unless subsidiary reimburses parent and/or the award is a part of the local compensation arrangement.	Need to request exemption from Philippines Securities and Exchange Commission and pay exemption fee. Ongoing requirements apply. Alternatively, for grants to fewer than 20 employees, a notice of exemption may be filed. Note that rules eliminating the filing requirements for grants to fewer than 20 employees are expected to be issued.	Generally, no.	Not generally, if not an “employer practice.” Statement regarding discretionary nature of plan should be acknowledged by employees.	Written consent from employees for the transfer of data abroad should be obtained. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Philippines **RS/RSU**	Tax at vesting for RS/RSUs. Taxable amount is fair market value of the shares on the tax event. If subsidiary reimburses parent, fringe benefit tax payable by employer will apply (instead of income tax payable	Probably allowed if subsidiary reimburses parent under a written reimbursement agreement and required withholdings are made. Triggers tax withholding and social insurance contributions, as well as employer-	**Income Tax:** Likely no, unless subsidiary reimburses parent and/or the award is a part of the local compensation arrangement. **Social Insurance Contributions:**	Need to request exemption from Philippines Securities and Exchange Commission and pay exemption fee. Ongoing requirements apply. Alternatively, for grants to fewer than 20 employees, a notice of exemption may be filed. Note that rules eliminating the filing requirements for grants to fewer than 20 employees are expected to be issued.	Generally, no.	Not generally, if not an “employer practice.” Statement regarding discretionary nature of plan should be acknowledged by employees.	Written consent from employees for the transfer of data abroad should be obtained. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	by employee) for non-rank-and-file employees. Tax on sale.	paid fringe benefit tax for non-rank-and-file employees.	Likely no, unless subsidiary reimburses parent and/or the award is a part of the local compensation arrangement.				obligations).
Philippines **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Likely yes. **Social Insurance Contributions:** Likely yes.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc.	Written consent from employees for the transfer of data abroad should be obtained. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Poland **OPTION**	Likely tax on spread at exercise. Effective January 1, 2011, a tax deferral until sale is available only if issuer is an EU or EEA based company and awards made based on shareholder resolution. Tax on sale. There is a risk that tax may be due on the sale proceeds minus the exercise price resulting in double taxation of the spread.	Likely allowed if subsidiary reimburses parent pursuant to a written reimbursement agreement, but this *may* cause income to be considered as arising from employment relationship triggering tax withholding and social insurance obligations.	**Income Tax:** No, unless the income realized is considered to arise from the employment relationship and possibly, though unlikely according to recent practice of the tax authorities, if the local subsidiary reimburses the parent. **Social Insurance Contributions:** No, unless the income realized is considered to arise from the employment relationship and possibly, though unlikely according to recent practice of the tax authorities, if the local subsidiary reimburses the	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Poland. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.	Minor employee reporting requirements apply.	No, provided right to terminate plan is reserved in writing. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Under Polish Personal Data Protection Act, the employee's written consent is necessary for the collection, use and transfer of personal data. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			parent.				

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Poland **ESPP**	Likely tax on discount at purchase. Effective January 1, 2011, a tax deferral until sale is available only if issuer is an EU or EEA based company and awards made based on shareholder resolution. Tax on sale. There is a risk that tax may be due on the sale proceeds minus the purchase price resulting in double taxation of the discount.	Likely allowed if subsidiary reimburses parent pursuant to a written reimbursement agreement, but this may cause income to be considered as arising from employment relationship triggering tax withholding and social insurance obligations.	**Income Tax:** No, unless the income realized is considered to arise from the employment relationship and possibly, though unlikely according to recent practice of the tax authorities, if the local subsidiary reimburses the parent. **Social Insurance Contributions:** No, unless the income realized is considered to arise from the employment relationship and possibly, though unlikely according to recent practice of the tax authorities, if the local subsidiary reimburses the parent.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in Poland. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies. Further, for reliance on the EUR 2.5 million exclusion in Poland, the company is required to prepare an "information memorandum" (similar to a full-blown prospectus) translated into Polish which must technically be distributed via the Polish broker. (Practically speaking, compliance with the information memorandum is very difficult for accounting reasons.) Poland-specific passporting requirements apply. In addition, Polish law requires that an annual report of total purchases/shares issued in	Minor employee reporting requirements apply.	No, provided right to terminate plan is reserved in writing. Employee participating in ESPP must provide a payroll deduction authorization form in Polish to the local employer, authorizing it to take payroll deductions from the employee's salary up to 20% of the minimum monthly wage of a full-time employee, as determined each year. Consent to deductions should be memorialized by a written signature and should dictate: what, how much, and why. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly provisions with age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Under Polish Personal Data Protection Act, the employee's written consent is necessary for the collection, use and transfer of personal data. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
				Poland under an approved prospectus or in reliance on certain exemptions/exclusions (as well as a fee) be submitted to the Polish securities regulator.			
Poland **RS/RSU**	Likely tax at vesting on fair market value of the shares. Effective January 1, 2011, a tax deferral until sale is available only if issuer is an EU or EEA based company and awards made based on shareholder resolution. Tax on sale. There is a risk that tax may be due on the entire sale proceeds resulting in double taxation of a portion of the gain.	Likely allowed if subsidiary reimburses parent pursuant to a written reimbursement agreement, but this may cause income to be considered as arising from employment relationship triggering tax withholding and social insurance obligations.	**Income Tax:** No, unless the income realized is considered to arise from the employment relationship and possibly, though unlikely according to recent practice of the tax authorities, if the local subsidiary reimburses the parent. **Social Insurance Contributions:** No, unless the income realized is considered to arise from the employment relationship and possibly, though unlikely according to recent practice of the tax authorities, if the local subsidiary reimburses the parent.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Poland. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.	Minor employee reporting requirements apply.	No, provided right to terminate plan is reserved in writing Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC covers age discrimination and required member states to be in compliance by December 2, 2006. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly provisions with age or age and service provisions which give different treatment (*e.g.,* accelerated or continued vesting) for those meeting the criteria. Age discrimination legislation may impact equity plan retirement provisions.	Under Polish Personal Data Protection Act, the employee's written consent is necessary for the collection, use and transfer of personal data. Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).
Poland **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Likely allowed because subsidiary reimburses parent. Written agreement may be required though grant of equity awards should not be included in offer of employment or employment	**Income Tax:** Withholding and reporting required. **Social Insurance Contributions:** Yes. Employee and employer contributions due and employer must	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an	Minor employee reporting requirements apply.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc.	Companies are advised to check with their data privacy counsel to determine any other requirements (such as notification or registration obligations).

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		agreement as that may cause withholding and reporting obligations.	withhold employee portion.	exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Poland. However, non-transferable free offers of cash-settled awards are not considered "transferable securities" subject to the EU Prospectus Directive.		No, provided right to terminate plan is reserved in writing. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC covers age discrimination and required member states to be in compliance by December 2, 2006. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly provisions with age or age and service provisions which give different treatment (*e.g.,* accelerated or continued vesting) for those meeting the criteria. Age discrimination legislation may impact equity plan retirement provisions.	
Portugal **OPTION**	Tax on spread at exercise. Tax on gain at sale.	Yes, if subsidiary reimburses parent.	**Income Tax:** No withholding. Reporting requirements apply. **Social Insurance Contributions:** No.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Portugal.	Minor employee reporting requirements may apply.	Written consent from employees for the transfer of data abroad is recommended. Written disclaimer important to reduce risk of plan entitlement. Irregular grants reduce risk. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules	If the employing entity is located in Portugal, prior notification to the Comissão Nacional de Protecção de Dados is required before transmitting employee data abroad. Companies are advised to check with their data privacy counsel to determine any other requirements.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
				However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive and do not require a prospectus filing. Notwithstanding, if offer made to more than 150 persons in Portugal, certain disclosure and registration requirements apply, unless an EU-compliant prospectus is passported into Portugal. If a prospectus is passported into Portugal, an offer outcome notification report may need to be filed with the Portuguese securities regulator following the close of the offer.		implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Portugal **ESPP**	Tax on discount at purchase. Tax on gain at sale.	Yes, if subsidiary reimburses parent.	**Income Tax:** No withholding. Reporting requirements apply. **Social Insurance Contributions:** No.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in Portugal. However, non-transferable purchase	Minor employee reporting requirements may apply. *Payroll deductions should be held in a separate account.	Written disclaimer important to reduce risk of plan entitlement. Irregular grants reduce risk. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	If the employing entity is located in Portugal, prior notification to the Comissão Nacional de Protecção de Dados is required before transmitting employee data abroad. Companies are advised to check with their data privacy counsel to determine any other requirements.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
				rights are not considered "transferable securities" subject to the EU Prospectus Directive. Notwithstanding, if offer made to more than 150 persons in Portugal, certain disclosure and registration requirements apply, unless an EU-compliant prospectus is passported into Portugal. If a prospectus is passported into Portugal, an offer outcome notification report may need to be filed with the Portuguese securities regulator following the close of the offer.			
Portugal **RS/RSU**	Tax likely at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Tax on gain at sale.	Yes, if subsidiary reimburses parent.	**Income Tax:** No withholding. Reporting requirements apply. **Social Insurance Contributions:** No.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Portugal. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.	Minor employee reporting requirements may apply.	Written disclaimer important to reduce risk of plan entitlement. Irregular grants reduce risk. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	If the employing entity is located in Portugal, prior notification to the Comissão Nacional de Protecção de Dados is required before transmitting employee data abroad. Companies are advised to check with their data privacy counsel to determine any other requirements.
Portugal **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** The employer is likely required to withhold income tax. Reporting requirements apply.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include	If the employing entity is located in Portugal, prior notification to the Comissão Nacional de Protecção de Dados is required

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			Social Insurance Contributions: Yes, employee and employer contributions due to the extent applicable wage ceiling not met. If applicable, employer has to withhold employee's portion of social insurance contributions.	countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Portugal. However, non-transferable free offers of cash-settled awards are not considered "transferable securities" subject to the EU Prospectus Directive.		amount in termination indemnities, obligation to consult works council, etc. If awards are granted as a regular, annual basis, there is a risk they will be treated as vested rights Discrimination against union or part-time employees is prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. Belgium has adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	before transmitting employee data abroad. Companies are advised to check with their data privacy counsel to determine any other requirements.
Russia OPTION	Under current law, tax may be due at grant on option value and at exercise on the difference between exercise price and fair market value of the shares at exercise. A private ruling of the Federal Tax Service indicates that no taxation should apply on the grant. Tax at the sale of shares.	Possibly available, subject to proper structuring of the recharge arrangement. However, this would trigger withholding and reporting obligations and possibly social insurance obligations.	**Income Tax/Social Insurance Contributions:** Withholding and reporting and social insurance contributions should not apply provided the grant is structured to be outside the employment relationship and costs are not charged to the local subsidiary.	There is some risk that options may be subject to securities registration requirements; however, based on informal guidance, offers by foreign issuers to employees of subsidiaries in Russia should fall outside such requirements if steps are taken to ensure the offer takes place outside Russia. Alternatively, an exception to the registration requirement applies if the award is mentioned in the local employment documentation; however, this may trigger withholding and reporting and social insurance contributions as well as plan entitlement risks.	Certain requirements apply to subsidiary when remitting funds out of Russia, which vary depending on whether funds are remitted by wire transfer or intercompany transfer. Sale proceeds or other foreign currency payments (other than dividends) should be initially credited to a Russian national's foreign currency bank account at an authorized bank in	None, provided the grant is structured to be outside the employment relationship.	Employee's written consent to the transfer of personal data should be obtained. Also, all personal data related to Russian nationals must reside in Russia. Exports of data are allowed so long as changes to the data are made in Russia.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
					Russia if they are not held in a foreign brokerage account. Subsequently, they can be transferred to the Russian national's foreign bank account without any restrictions.		
Russia **ESPP**	Under current law, tax may be due at grant on value of purchase right and at the purchase on the difference between purchase price and fair market value of shares at purchase. A private ruling of the Federal Tax Service indicates that no taxation should apply on the grant. Tax at sale of shares.	Possibly available, subject to proper structuring of the recharge arrangement. How ever, this would trigger withholding and reporting obligations and possibly social insurance obligations.	**Income Tax/Social Insurance Contributions:** Withholding and reporting and social insurance contributions should not apply provided the ESPP offer is structured to be outside the employment relationship, and costs are not charged to the local subsidiary.	There is some risk that purchase rights under an ESPP may be subject to securities registration requirements; however, based on informal guidance, offers by foreign issuers to employees of subsidiaries in Russia should fall outside such requirements if steps are taken to ensure the offer takes place outside Russia. Alternatively, an exception to the registration requirement applies if the award is mentioned in the local employment documentation; however, this may trigger withholding and reporting and social insurance contributions as well as plan entitlement risks.	Certain requirements apply to subsidiary when remitting funds out of Russia, which vary depending on whether funds are remitted by wire transfer or intercompany transfer. Sale proceeds or other foreign currency payments (other than dividends) should be initially credited to a Russian national's foreign currency bank account at an authorized bank in Russia if they are not held in a foreign brokerage account. Subsequently, they can be transferred to the Russian national's foreign bank account without any restrictions.	None, provided the ESPP offer is structured outside the employment relationship.	Employee's written consent to the transfer of personal data should be obtained. Also, all personal data related to Russian nationals must reside in Russia. Exports of data are allowed so long as changes to the data are made in Russia.
Russia **RS/RSU**	RS: Tax likely at grant on fair market value of shares. RSU: Tax at vesting on fair market value of shares. Cash-settled RSUs may be characterized as an	Possibly available, subject to proper structuring of the recharge arrangement. How ever, this would trigger withholding and reporting obligations and	**Income Tax/Social Insurance Contributions:** Withholding and reporting and social insurance contributions should not apply provided	There is some risk that RS/RSUs may be subject to securities registration requirements; however, based on informal guidance, offers by foreign issuers to employees of subsidiaries in Russia should fall outside such requirements if steps are taken to ensure the offer takes place outside Russia. Alternatively, an exception to	Sale proceeds or other foreign currency payments (other than dividends) should be initially credited to a Russian national's foreign currency bank account at an authorized bank in	None, provided that the award is structured outside the employment relationship.	Employee's written consent to the transfer of personal data should be obtained. Also, all personal data related to Russian nationals must reside in Russia.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	option and subject to tax at grant and vesting. Tax at sale of shares.	possibly social insurance obligations.	the award is structured to be outside the employment relationship, and costs are not charged to the local subsidiary.	the registration requirement applies if the award is mentioned in the local employment documentation; however, this may trigger withholding and reporting and social insurance contributions as well as plan entitlement risks.	Russia if they are not held in a foreign brokerage account. Subsequently, they can be transferred to the Russian national's foreign bank account without any restrictions.		Exports of data are allowed so long as changes to the data are made in Russia.
Russia **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Yes, subject to proper structuring of the recharge arrangement. Written agreement required.	**Income Tax:** Withholding and reporting required. **Social Insurance Contributions:** Yes. Employer social insurance contributions are due.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include the cash amount when calculating termination indemnities, obligation to consult works council, etc.	Employee's written consent to the transfer of personal data should be obtained. Also, all personal data related to Russian nationals must reside in Russia. Exports of data are allowed so long as changes to the data are made in Russia.
Saudi Arabia **OPTION**	Income tax does not apply. No taxation at sale.	N/A	**Income Tax:** N/A **Social Insurance Contribution:** Pursuant to unofficial guidance, option income is not wages for social insurance purposes.	Reliance on private placement exemption should be noted in grant document. A pre-offer notification and post-offer report must be filed with the Capital Markets Authority ("CMA") in connection with the offer of stock options. Saudi bank/financial institution must be retained to submit the filings. Frequency of ongoing pre-offer notification may vary depending upon bank or institution used. Contact Baker & McKenzie for more details.	None.	Generally no, provided awards are not addressed in the employment contract but employee should be required to acknowledge discretionary nature of plan.	Written consent from employees for the collection, use and transfer of data abroad is recommended.
Saudi Arabia **ESPP**	Income tax does not apply. No taxation at sale.	N/A	**Income Tax:** N/A **Social Insurance Contribution:** Pursuant to unofficial guidance, ESPP income is not wages for social insurance purposes.	Reliance on private placement exemption should be noted in ESPP documentation. A pre-offer notification and post-offer report must be filed with the Capital Markets Authority ("CMA") in connection with the offer of ESPP. Saudi bank/financial institution must be retained to submit the filings. Frequency of ongoing pre-offer notification may vary depending upon bank or institution used. Contact	None.	Generally no, provided ESPP is not addressed in the employment contract but employee should be required to acknowledge discretionary nature of plan.	Written consent from employees for the collection, use and transfer of data abroad is recommended.

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				Baker & McKenzie for more details.			
Saudi Arabia **RS/RSU**	Income tax does not apply. No taxation at sale.	N/A	**Income Tax:** N/A **Social Insurance Contribution:** Pursuant to unofficial guidance, RS/RSUs income is not wages for social insurance purposes.	Reliance on private placement exemption should be noted in grant document. A pre-offer notification and post-offer report must be filed with the Capital Markets Authority ("CMA") in connection with the offer of RS/RSUs. Saudi bank/financial institution must be retained to submit the filings. Frequency of ongoing pre-offer notification may vary depending upon bank or institution used. Contact Baker & McKenzie for more details.	None	Generally no, provided awards are not addressed in the employment contract but employee should be required to acknowledge discretionary nature of plan.	Written consent from employees for the collection, use and transfer of data abroad is recommended.
Saudi Arabia **Cash Award**	Income tax does not apply.	N/A	**Income Tax:** N/A **Social Insurance Contributions:** N/A	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include the cash amount when calculating termination indemnities, obligation to consult works council, etc.	Written consent from employees for the collection, use and transfer of data abroad is recommended.
Singapore **OPTION**	Tax on spread at exercise. Employee may be able to defer tax or take a (partial) tax exemption if certain conditions are met. Regime providing for a partial tax exemption no longer applies to awards granted on or after January 1, 2014 but will continue to apply to grants prior to such date if conditions met. No tax on sale. Expatriate employees ceasing employment or leaving Singapore may be deemed to have	Allowed if treasury shares are used to settle awards and subsidiary reimburses parent under a written reimbursement agreement, but limited to the amount that the parent paid to acquire the treasury shares minus the amount paid for the shares by the employee.	**Income Tax:** Generally no withholding (except for certain expatriates ceasing employment and/or leaving Singapore based on deemed equity income). Reporting requirements apply. **Social Insurance Contributions:** Generally, no.	Generally, employee share plan exemption applies. Certain subsidiary director and CEO reporting obligations apply.	None.	Plan and agreements should indicate plan is discretionary.	New data privacy law took effect in mid-2014. Written consent from employees for the transfer of data abroad is recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	exercised options and be subject to taxation upon termination/leaving Singapore.						
Singapore **ESPP**	Tax on discount at purchase. Employee may be able to defer tax or take a (partial) tax exemption if certain conditions are met. Regime providing for a partial tax exemption no longer applies to ESPP purchase right granted on or after January 1, 2014 but will continue to apply to ESPP purchase rights granted prior to such date if conditions met. No tax on sale. Expatriate employees ceasing employment or leaving Singapore may be deemed to have exercised ESPP rights and be subject to taxation upon termination/leaving Singapore.	Allowed if treasury shares used to settle awards and subsidiary reimburses parent under a written reimbursement agreement, but limited to the amount that the parent paid to acquire the treasury shares minus the amount paid for the shares by the employee.	**Income Tax:** Generally no withholding (except for certain expatriates ceasing employment and/or leaving Singapore based on deemed equity income). Reporting requirements apply. **Social Insurance Contributions:** Generally, no.	Generally, employee share plan exemption applies. Certain subsidiary director and CEO reporting obligations apply.	None.	Plan and enrollment forms should indicate plan is discretionary. *Ministry of Manpower approval required for ESPP if payroll deductions will be taken from the pay of employees whose monthly salary is below a specified threshold.	New data privacy law took effect in mid-2014. Written consent from employees for the transfer of data abroad is recommended.
Singapore **RS/RSU**	Tax at vesting. Taxable amount is fair market value of the shares. Employee may be able to defer tax or take a (partial) tax exemption if certain conditions are met. Regime providing for a partial tax exemption no longer applies to awards granted on or after January 1, 2014 but will continue to	Allowed if treasury shares used to settle awards and subsidiary reimburses parent under a written reimbursement agreement, but limited to the amount that the parent paid to acquire the treasury shares minus any amount paid for the shares	**Income Tax:** Generally no withholding (except for certain expatriates ceasing employment and/or leaving Singapore based on deemed equity income). Reporting requirements apply. **Social Insurance Contributions:**	Generally, employee share plan exemption applies. Certain subsidiary director and CEO reporting obligations apply.	None.	Plan and agreements should indicate plan is discretionary.	New data privacy law took effect in mid-2014. Written consent from employees for the transfer of data abroad is recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	apply to grants prior to such date if conditions met. No tax on sale. Expatriate employees ceasing employment or leaving Singapore may be deemed to have vested in RS/RSUs and be subject to taxation upon termination/leaving Singapore.	by the employee.	Generally, no.				
Singapore **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, if subsidiary bears the cost of award. Written agreement recommended. Subsidiary may not bear the cost of awards made to directors of local subsidiary.	**Income Tax:** Generally no withholding (except for certain expatriates ceasing employment and/or leaving Singapore based on deemed equity income). Reporting requirements apply. **Social Insurance Contributions:** Employer and employee Central Provident Fund contributions will be due, subject to applicable contribution ceilings.	Generally, employee share plan exemption applies. Certain subsidiary director and CEO reporting obligations apply.	None.	Plan and agreements should indicate plan is discretionary.	New data privacy law took effect in mid-2014. Written consent from employees for the transfer of data abroad is recommended.
Slovak Republic **OPTION**	Options granted on or after January 1, 2010 taxed on the spread at exercise. Options granted between December 15, 2005 and December 31, 2009 likely taxed at vesting and exercise. The taxable amount at vesting will	Yes, if reimbursement made by subsidiary to the parent. Written reimbursement agreement is recommended.	**Income Tax:** Yes. Reporting and withholding likely required. **Social Insurance Contributions:** Yes, as of January 1, 2011, both employer and employee social	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an	None.	No. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU,	Written consent from employees for the collection, use and transfer of data abroad is required. Additionally, the local subsidiary may need to obtain the consent of the Slovak Data Protection Office to collect, use and

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	likely be the difference between the exercise price and the fair market value of the shares at vesting. The taxable amount at exercise will likely be the difference between the fair market value of the shares at vesting and the fair market value of the shares at exercise. Options granted before December 15, 2005 will likely be taxed on the spread at exercise. Tax on sale, subject to a possible exemption. Some risk of double taxation.		and health insurance contributions due. Employer has to withhold employee's contributions.	exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in the Slovak Republic. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.		particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	transfer the employee's personal data. The issuer company and the local subsidiary should request a ruling from the Data Protection Office prior to the implementation of the plan to clarify whether consent required.
Slovak Republic **ESPP**	Tax on discount at purchase. Tax on sale, subject to a possible exemption. Some risk of double taxation.	Yes, if reimbursement made by subsidiary to the parent. Written reimbursement agreement is recommended.	**Income Tax:** Yes. Reporting and withholding likely required. **Social Insurance Contributions:** Yes, as of January 1, 2011, both employer and employee social and health insurance contributions due. Employer has to withhold employee's contributions.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is	None.	No. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the collection, use and transfer of data abroad is required. Additionally, the local subsidiary may need to obtain the consent of the Slovak Data Protection Office to collect, use and transfer the employee's personal data. The issuer company and the local subsidiary should request a ruling from the Data Protection Office prior to the implementation of the plan to clarify whether consent required.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
				uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in the Slovak Republic. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies.			
Slovak Republic **RS/RSU**	Tax at vesting. Taxable amount is fair market value of the shares at vesting. Tax on sale, subject to a possible exemption. Some risk of double taxation.	Yes, if reimbursement made by subsidiary to the parent. Written reimbursement agreement is recommended.	**Income Tax:** Yes. Reporting and withholding likely required. **Social Insurance Contributions:** Yes, as of January 1, 2011, both employer and employee social and health insurance contributions due. Employer has to withhold employee's contributions.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in the Slovak Republic. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.	None.	No. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent from employees for the collection, use and transfer of data abroad is required. Additionally, the local subsidiary may need to obtain the consent of the Slovak Data Protection Office to collect, use and transfer the employee's personal data. The issuer company and the local subsidiary should request a ruling from the Data Protection Office prior to the implementation of the plan to clarify whether consent required.
Slovak Republic **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Yes, because subsidiary bears the cost of the awards. Written reimbursement agreement is recommended.	**Income Tax:** Yes. Reporting and withholding likely required. **Social Insurance Contributions:** Yes, both employer and employee social and health insurance contributions due. Employer has to	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. If the grant documentation expressly states that the cash	Written consent from employees for the collection, use and transfer of data abroad is required. Additionally, the local subsidiary may need to obtain the consent of the Slovak Data Protection Office to collect, use and transfer the employee's personal data. The issuer

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			withhold employee's contributions.			payment will not become an "acquired right," the language of the grant documentation should be sufficient to protect against claims of an acquired right.	company and the local subsidiary should request a ruling from the Data Protection Office prior to the implementation of the plan to clarify whether consent required.
South Africa **OPTION**	Tax on spread at exercise. Tax on sale, subject to exemption.	Allowed if the subsidiary reimburses the parent under a written reimbursement agreement. However, subject to exchange control approval.	**Income Tax:** Yes. Local subsidiary must obtain directive from South African Revenue Service to determine appropriate withholding amount prior to withholding for each taxable event. An exemption may apply for certain broad-based plans. **Social Insurance Contributions:** Yes, for both the employee and employer unless ceiling met. Employer has to withhold employee's contributions. Employer also must pay uncapped skills development levy on income.	A "small offering" exemption from prospectus filing is available for companies making a single offering to fewer than 50 persons in a 12-month period with a value equal to or less than ZAR1 million. To rely on the exemption, the offer must be finalized within 6 months. Alternatively, an employee share scheme exemption from prospectus filing is available, provided certain requirements are met, including appointing a "compliance officer," providing certain written disclosures to employees and filing certain "registration" documents and annual reports with the South African Companies and Intellectual Property Commission. Contact Baker & McKenzie for further details.	Plan must be placed on record with Financial Surveillance Department. Employees must complete certain other steps to remit funds out of South Africa to exercise options. ZAR1 million annual discretionary allowance and an additional ZAR10 million annual offshore investment limit applies to employees. The local subsidiary has to obtain approval for reimbursement payment.	Generally not, if certain disclaimer language in included in the award agreement. Otherwise, risk that plan benefits could be considered compensation for purposes of calculating benefits for unfair termination.	Written consent from employees for transfer of personal data is required.
South Africa **ESPP**	Tax on discount at purchase. Tax on sale, subject to exemption.	Allowed if the subsidiary reimburses the parent under a written reimbursement agreement. However, subject to exchange control approval.	**Income Tax:** Yes. Local subsidiary must obtain directive from South African Revenue Service to determine appropriate withholding amount prior to withholding for each taxable	A "small offering" exemption from the prospectus filing is available for companies making a single offering to fewer than 50 persons in a 12-month period with a value equal to or less than ZAR1 million. To rely on the exemption, the offer must be finalized within 6 months. Alternatively, an employee share scheme exemption from prospectus	Plan must be placed on record with Financial Surveillance Department. Local subsidiary must also complete other steps to remit payroll deductions out of South Africa on behalf of employees. ZAR1 million annual	Generally not, if certain disclaimer language is included in the enrollment documentation. Otherwise, risk that plan benefits could be considered compensation for purposes of calculating benefits for unfair termination.	Written consent from employees for transfer of personal data is required.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			event. An exemption may apply for certain broad-based plans **Social Insurance Contributions:** Yes, for both the employee and employer unless ceiling met. Employer has to withhold employee's contributions. Employer also must pay uncapped skills development levy on income.	filing is available, provided certain requirements are met, including appointing a "compliance officer," providing certain written disclosures to employees and filing certain "registration" documents and annual reports with the South African Companies and Intellectual Property Commission. Contact Baker & McKenzie for further details.	discretionary allowance and an additional ZAR10 million annual offshore investment limit applies to employees. The local subsidiary has to obtain approval for reimbursement payment.		
South Africa **RS/RSU**	Tax may be at vesting for RS depending on the restrictions; otherwise, tax at grant. Tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Tax on sale, subject to exemption.	Allowed if the subsidiary reimburses the parent under a written reimbursement agreement. However, subject to exchange control approval.	**Income Tax:** Yes. Local subsidiary must obtain directive from South African Revenue Service to determine appropriate withholding amount prior to withholding for each taxable event. An exemption may apply for certain broad-based plans **Social Insurance Contributions:** Yes, for both the employee and employer unless ceiling met. Employer has to withhold employee's contributions. Employer also must pay uncapped skills development levy on income.	A "small offering" exemption from prospectus filing is available for companies making a single offering to fewer than 50 persons in a 12-month period with a value equal to or less than ZAR1 million. For purposes of the ZAR1 million threshold, RSUs/RS have nil value. To rely on the exemption, the offer must be finalized within 6 months. Alternatively, an employee share scheme exemption from prospectus filing is available, provided certain requirements are met, including appointing a "compliance officer," providing certain written disclosures to employees and filing certain "registration" documents and annual reports with the South African Companies and Intellectual Property Commission. Contact Baker & McKenzie for further details.	Plan must be placed on record with Financial Surveillance Department. The local subsidiary has to obtain approval for reimbursement payment.	Generally not, if certain disclaimer language is included in the award agreement. Otherwise, risk that plan benefits could be considered compensation for purposes of calculating benefits for unfair termination.	Written consent from employees for transfer of personal data is required.

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South Africa **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Allowed because the subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Yes. Local subsidiary must obtain directive from South African Revenue Service to determine appropriate withholding amount prior to withholding for each taxable event. An exemption may apply for certain broad-based plans. **Social Insurance Contributions:** Yes, for both the employee and employer unless ceiling met. Employer has to withhold employee's contributions. Employer also must pay uncapped skills development levy on income.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks as well as other increased labor law risks, such as the need to include amount in termination indemnities, etc.	Written consent from employees for transfer of personal data is required.
Spain **OPTION**	Tax on spread at exercise. Exemption may apply to 30% of taxable income from stock options provided certain requirements are met. Tax on sale.	May be possible if reimbursement made by subsidiary to the parent. Written reimbursement agreement advisable.	**Income Tax:** Yes, payment-on-account required on compensation in-kind and withholding required on compensation in cash, unless exemption applies. **Social Insurance Contributions:** Yes, employee and employer contributions due unless monthly ceiling has already been met. Employer has to	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Spain. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus	Employee reporting requirements apply.	Written disclaimer recommended acknowledging voluntary nature of plan and that employee has received copy of plan. Spanish Supreme Court cases have held that the benefit received from option grants must be included in the calculation of severance payments and that terminated employees may have the right to exercise unvested options or continue to vest in options after termination. We recommend inserting disclaimer and U.S. choice of law language, but there is no guarantee	Local subsidiary must file a notification with the Spanish Data Protection Agency to maintain an automated database. Written consent from employees for the transfer of data abroad to the parent or a third party administrator is recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			withhold employee's contributions.	Directive.		that Spanish courts will uphold. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Spain **ESPP**	Tax on discount at purchase. €12,000 exemption for income tax may apply to ESPP if shares are held for at least three years after the purchase date and certain other requirements are met. Tax on sale.	May be possible if reimbursement made by subsidiary to the parent. Written reimbursement agreement advisable.	**Income Tax:** Yes, payment-on-account required, unless exemption applies. **Social Insurance Contributions:** Yes, employee and employer contributions due unless monthly ceiling has already been met. Employer has to withhold employee's contributions.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee	Employee reporting requirements apply.	Written disclaimer recommended acknowledging voluntary nature of plan and that employee has received copy of plan. Spanish Supreme Court cases have held that the benefit received from option grants must be included in the calculation of severance payments and that terminated employees may have the right to exercise unvested options or continue to vest in options after termination. It is uncertain if/how this case law applies to ESPP. We recommend inserting disclaimer and U.S. choice of law language, but there is no guarantee that Spanish courts will uphold.	Local subsidiary must file a notification with the Spanish Data Protection Agency to maintain an automated database. Written consent from employees for the transfer of data abroad to the parent or a third party administrator is recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
				share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in Spain. However, non-transferable ESPP rights are not considered "securities" subject to the EU Prospectus Directive in Spain.		Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Spain RS/RSU	Tax at vesting. Taxable amount is fair market value of the shares. Tax on sale.	May be possible if reimbursement made by subsidiary to the parent. Written reimbursement agreement advisable.	**Income Tax:** Yes, payment-on-account required. **Social Insurance Contributions:** Yes, employee and employer contributions due unless monthly ceiling has already been met. Employer has to withhold employee's contributions.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Spain. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.	Employee reporting requirements apply.	Written disclaimer recommended acknowledging voluntary nature of plan and that employee has received copy of plan. Spanish Supreme Court cases have held that the benefit received from option grants must be included in the calculation of severance payments and that terminated employees may have the right to continue to vest in options after termination. Similar analysis is likely to be applied to RS/RSUs. We recommend inserting disclaimer and U.S. choice of law language, but there is no guarantee that Spanish courts will uphold. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive	Local subsidiary must file a notification with the Spanish Data Protection Agency to maintain an automated database. Written consent from employees for the transfer of data abroad to the parent or a third party administrator is recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
						2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Spain **Cash Award**	Tax likely at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Yes, withholding required on compensation in cash. **Social Insurance Contributions:** Yes, employee and employer contributions due unless monthly ceiling has already been met. Employer has to withhold employee's contributions.	None.	None.	Written disclaimer recommended acknowledging voluntary nature of plan and that employee has received copy of plan. Spanish Supreme Court cases have held that the benefit received from option grants must be included in the calculation of severance payments and that terminated employees may have the right to continue to vest in options after termination. Similar analysis is likely to be applied to cash-settled awards. We recommend inserting disclaimer and U.S. choice of law language, but there is no guarantee that Spanish courts will uphold. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this	Local subsidiary must file a notification with the Spanish Data Protection Agency to maintain an automated database. Written consent from employees for the transfer of data abroad to the parent or a third party administrator is recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
						Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Sweden **OPTION**	Tax on spread at exercise. Draft legislation is being considered that would introduce a tax-qualified option regime for small start-up companies. The regime would defer taxation of qualified stock options until sale and tax the resulting income at capital gains tax rates. . The regime is expected to take effect from January 1, 2018 at the earliest. Tax on sale.	Yes, if reimbursement made by subsidiary to the parent. Written reimbursement agreement advisable.	**Income Tax:** Yes. Special rules apply to employees who transfer into Sweden with option grants. **Social Insurance Contributions:** Yes, the employer must pay social insurance contributions (uncapped). No social insurance contributions are payable by the employee. Special rules apply to employees with EU/EEA citizenship who transfer into Sweden with option grants.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Sweden. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.	None.	No, but written disclaimer advisable. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Employees' written consent required prior to transfer of personal data.
Sweden **ESPP**	Tax on discount at purchase. Tax on sale.	Yes, if reimbursement made by subsidiary to the parent. Written reimbursement agreement advisable.	**Income Tax:** Yes. Special rules apply to employees who transfer into Sweden with ESPP purchase rights. **Social Insurance Contributions:** Yes, the employer must pay social	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it	None.	No, but written disclaimer advisable. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this	Employees' written consent required prior to transfer of personal data.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			insurance contributions (uncapped). No social insurance contributions are payable by the employee. Special rules apply to employees with EU/EEA citizenship who transfer into Sweden with ESPP purchase rights.	then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in Sweden. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies.		Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Sweden **RS/RSU**	Tax at grant for RS; tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Tax on sale.	Yes, if reimbursement made by subsidiary to the parent. Written reimbursement agreement advisable.	**Income Tax:** Yes. **Social Insurance Contributions:** Yes, the employer must pay social insurance contributions (uncapped). No social insurance contributions are payable by the employee. Special rules apply to employees with EU/EEA citizenship who transfer into Sweden with RSU grants.	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Sweden. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.	None.	No, but written disclaimer advisable. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Employees' written consent required prior to transfer of personal data.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Sweden **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** Yes. **Social Insurance Contributions:** Yes, the employer must pay social insurance contributions (uncapped). No social insurance contributions are payable by the employee.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. The value of the cash award will need to be included in the calculation of vacation pay. Written disclaimer advisable. Exclusion of part-time employees may be deemed discriminatory. The EU Council Directive 2000/78/EC prohibits age discrimination. Most, if not all, countries have adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Employees' written consent required prior to transfer of personal data.
Switzerland **OPTION**	Effective January 1, 2013, options will be taxed at exercise on the spread without need to obtain cantonal tax rulings. No tax on the sale of shares provided the shares are not acquired and/or held as a business asset.	Allowed if reimbursement by the subsidiary to the parent. Written reimbursement agreement advisable.	**Income Tax:** Reporting requirements apply with respect to the grant and exercise of options. Withholding required only for foreign employees with "B" permit and cross-border employees.	Generally none, provided certain conditions are met. Contact Baker & McKenzie for further details.	None.	Generally not, but written disclaimer recommended.	Written consent from employees prior to the transfer of data to the parent or a third party administrator is recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			Social Insurance Contributions: Yes, for both employee and employer. Employer must withhold employee's contribution.				
Switzerland **ESPP**	Tax on discount at purchase. No tax on the sale of shares provided the shares are not acquired and/or held as a business asset.	Allowed if reimbursement by the subsidiary to the parent. Written reimbursement agreement advisable.	**Income Tax:** Reporting requirements apply with respect to the grant and exercise of purchase rights. Withholding required only for foreign employees with "B" permit and cross-border employees. **Social Insurance Contributions:** Yes, for both employee and employer. Employer must withhold employee's contribution.	Generally none, provided certain conditions are met. Contact Baker & McKenzie for further details.	None.	Generally not, but written disclaimer recommended.	Written consent from employees prior to the transfer of data to the parent or a third party administrator is recommended.
Switzerland **RS/RSU**	Effective January 1, 2013, RSU will be taxed at vesting without need to obtain cantonal tax rulings. Generally, tax at grant for RS. Taxable amount is fair market value of the shares on the tax event. For RS, employee should be able to reduce taxable amount to take into account restrictions placed on shares. No tax on the sale of	Allowed if reimbursement by the subsidiary to the parent. Written reimbursement agreement advisable.	**Income Tax:** Reporting requirements apply with respect to the grant of RS/RSUs and vesting of RSU. Withholding required only for foreign employees with "B" permit and cross-border employees. **Social Insurance Contributions:**	Generally none, provided certain conditions are met. Contact Baker & McKenzie for further details.	None.	Generally not, but written disclaimer recommended.	Written consent from employees prior to the transfer of data to the parent or a third party administrator is recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	shares provided the shares are not acquired and/or held as a business asset.		Yes, for both employee and employer. Employer must withhold employee's contribution.				
Switzerland **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Allowed if reimbursement by the subsidiary to the parent. Written reimbursement agreement advisable.	**Income Tax:** Reporting requirements apply with respect to the payment of the cash-settled awards. Withholding required only for foreign employees with "B" permit and cross-border employees. **Social Insurance Contributions:** Yes, for both employee and employer. Employer must withhold employee's contribution.	Generally none, provided certain conditions are met. Contact Baker & McKenzie for further details.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, statutory benefits such as vacation and sick pay, obligation to consult works council, etc. This risk of an acquired right will also increase if payments under the Plan have been made at least three consecutive times without a disclaimer as to the voluntary nature of such payments. To reduce the risk, a written disclaimer is recommended. The termination clauses and resignation provisions of the Plan may be invalid if the award qualifies as a salary component and the employee has a pro rata claim.	Written consent from employees prior to the transfer of data to the parent or a third party administrator is recommended.
Taiwan **OPTION**	Tax on spread at exercise. Generally, no tax on sale. Alternative Minimum Tax:	Allowed if subsidiary reimburses parent under a written reimbursement agreement and withholds or reports as	**Income Tax:** No withholding required. Reporting required. **Social Insurance Contributions:**	None.	Minor employee reporting requirements may apply, depending on amount of transaction.	Generally not, but written disclaimer recommended.	Personal Data Protection Act effective October 1, 2012. Written consent from employees for the transfer of data

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	Capital gains from the sale of securities not listed in Taiwan must be included in regular taxable income when calculating AMT.	required.	No.				abroad is recommended.
Taiwan **ESPP**	Tax on discount at purchase. Generally, no tax on sale. <u>Alternative Minimum Tax</u>: Capital gains from the sale of securities not listed in Taiwan must be included in regular taxable income when calculating AMT.	Allowed if subsidiary reimburses parent under a written reimbursement agreement and withholds or reports as required.	**Income Tax:** No withholding required. Reporting required. **Social Insurance Contributions:** No.	None.	Minor employee reporting requirements may apply, depending on amount of transaction. *Banking law problems may arise in Taiwan under an ESPP if interest is paid on payroll deductions or if payroll deductions commingled with the local subsidiary's general funds.	Generally not, but written disclaimer recommended.	Personal Data Protection Act effective October 1, 2012. Written consent from employees for the transfer of data abroad is recommended.
Taiwan **RS/RSU**	Tax at grant for RS; tax likely at issuance of shares for RSU. Taxable amount is fair market value of the shares on the tax event. Generally, no tax on sale. <u>Alternative Minimum Tax</u>: Capital gains from the sale of securities not listed in Taiwan must be included in regular taxable income when calculating AMT.	Allowed if subsidiary reimburses parent under a written reimbursement agreement and withholds or reports as required.	**Income Tax:** Recent guidance indicates that RSU may not be subject to a withholding obligation, but it is unclear whether withholding will be required where the subsidiary reimburses the parent for the cost of the RS/RSUs. Reporting required. **Social Insurance Contributions:** No.	None.	Minor employee reporting requirements may apply, depending on amount of transaction.	Generally not, but written disclaimer recommended.	Personal Data Protection Act effective October 1, 2012. Written consent from employees for the transfer of data abroad is recommended.
Taiwan **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Allowed if subsidiary reimburses parent under a written reimbursement agreement and	**Income Tax:** Generally, yes for cash awards. Reporting required.	None.	Minor employee reporting requirements may apply, depending on amount of transaction.	Generally not, but written disclaimer recommended.	Personal Data Protection Act effective October 1, 2012. Written consent

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		withholds or reports as required.	**Social Insurance Contributions:** Yes, subject to the applicable contribution ceilings.				from employees for the transfer of data abroad is recommended.
Thailand **OPTION**	Tax on spread at exercise. Spread is likely to be considered the difference between the exercise price and the average trading price of the shares during the month of exercise. Tax on sale if proceeds are repatriated to Thailand in the same calendar year as the sale (which may be required by exchange control regulations) and the employee is a Thai tax resident for that year.	Allowed up to a certain monetary threshold if subsidiary reimburses parent, board of directors of subsidiary approves reimbursement and subsidiary complies with exchange control requirements. Written reimbursement agreement advisable.	**Income Tax:** No, unless subsidiary reimburses parent. **Social Insurance Contributions:** No.	Securities sales report must be filed with Thai SEC within 15 days of the end of the calendar year (possibly not required if cashless exercise). [Contact Baker & McKenzie for more details.]	Approval of Bank of Thailand generally required for subsidiary to remit funds for reimbursement. Cash-netting using book entries is prohibited. Employees may remit up to USD1 million per year to purchase securities in foreign companies. Application to a commercial bank/authorized agent is required prior to the remittance of cash for exercise price. If cashless exercise is used, no application is required. Certain repatriation requirements apply to employees.	Generally, no, but disclaimer recommended to reduce risk.	Written consent from employees for the collection, use and transfer of data abroad is recommended. The Thai government is finalizing a new data privacy law.
Thailand **ESPP**	Tax on discount at purchase. Discount is likely to be considered the difference between the purchase price and the average trading price of the shares during the month of purchase. Tax on sale if proceeds are repatriated to Thailand in the same calendar year as the sale (which may be	Allowed up to a certain monetary threshold if subsidiary reimburses parent, board of directors of subsidiary approves reimbursement and subsidiary complies with exchange control requirements. Written reimbursement	**Income Tax:** No, unless subsidiary reimburses parent. **Social Insurance Contributions:** No.	Securities sales report must be filed with Thai SEC within 15 days of the end of each ESPP purchase period. [Contact Baker & McKenzie for more details.]	Approval of Bank of Thailand generally required for subsidiary to remit funds for reimbursement. Cash-netting using book entries is prohibited. Employees may remit up to USD1 million per year to purchase securities in foreign companies. Application to a commercial	Generally, no, but disclaimer recommended to reduce risk.	Written consent from employees for the collection, use and transfer of data abroad is recommended. The Thai government is finalizing a new data privacy law.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	required by exchange control regulations) and the employee is a Thai tax resident for that year.	agreement advisable.			bank/authorized agent is required prior to the remittance of payroll deductions under an ESPP. Certain repatriation requirements apply to employees.		
Thailand **RS/RSU**	Tax at grant likely for RS; tax at vesting for RSU. Taxable amount is likely to be considered the average trading price of the shares during the month of the taxable event. Tax on sale if proceeds are repatriated to Thailand in the same calendar year as the sale (which may be required by exchange control regulations) and the employee is a Thai tax resident for that year.	Allowed up to a certain monetary threshold if subsidiary reimburses parent, board of directors of subsidiary approves reimbursement and subsidiary complies with exchange control requirements. Written reimbursement agreement advisable.	**Income Tax:** No, unless subsidiary reimburses parent. **Social Insurance Contributions:** No.	None, provided no reimbursement and no recording of expense on local entity's books.	Approval of Bank of Thailand required for subsidiary to remit funds for reimbursement. Cash-netting using book entries is prohibited Certain repatriation requirements apply to employees.	Generally, no, but disclaimer recommended to reduce risk.	Written consent from employees for the collection, use and transfer of data abroad is recommended. The Thai government is finalizing a new data privacy law.
Thailand **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Allowed up to a certain monetary threshold if subsidiary bears cost of the awards, board of directors of subsidiary approves reimbursement and subsidiary complies with exchange control requirements. Written reimbursement agreement advisable.	**Income Tax:** Yes. **Social Insurance Contributions:** None.	It is arguable whether the securities filing requirement that applies to stock-settled awards also applies to cash-settled awards. Even if applicable, no filing is required, provided no reimbursement and no recording of expense on local entity's books.	Approval of Bank of Thailand required for subsidiary to remit funds for reimbursement. Cash-netting using book entries is prohibited Certain repatriation requirements apply to employees.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc.	Written consent from employees for the collection, use and transfer of data abroad is recommended. The Thai government is finalizing a new data privacy law.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Turkey **OPTION**	Tax treatment is unclear under Turkish law. Likely, no tax applies on grant, vesting or exercise provided the subsidiary does not reimburse the parent and take a tax deduction. Income tax on sale if no reimbursement by subsidiary/local deduction. Proposed law that will regulate tax of equity awards is temporarily on hold due to political situation in Turkey. If adopted as proposed, tax on spread at exercise and tax on sale.	Yes, if subsidiary reimburses parent under a written reimbursement agreement.	**Income Tax:** No, if subsidiary does not reimburse parent. **Social Insurance Contribution:** No, if subsidiary does not reimburse parent.	Stock options should not be subject to prior clearance from the Capital Market Board provided that (i) the sale of shares does not take place in Turkey; (ii) information distributed to employees does not give the impression that the award is a public offering; and (iii) no other action that would qualify as a public offering is undertaken.	If funds are remitted outside of Turkey to exercise options, the funds must be remitted through a bank licensed in Turkey. The sale or resale of shares traded on exchanges outside of Turkey by Turkish residents must be conducted through an intermediary institution licensed in Turkey.	Provided the grant of options is based on objective criteria (*i.e.*, performance or job category) and there is no reimbursement by subsidiary/local deduction, the benefits should not be considered part of an employee's salary. Written disclaimer recommended to reduce risk of plan entitlement.	Written consent to the collection, use and transfer of data abroad is recommended.
Turkey **ESPP**	Tax treatment is unclear under Turkish law. Likely, no tax on grant or purchase provided the subsidiary does not reimburse the parent and take a tax deduction. Income tax on sale if no reimbursement by subsidiary/local deduction. Proposed law that will regulate tax of equity awards is temporarily on hold due to political situation in Turkey. If adopted as proposed, tax on discount at purchase and tax on sale.	Yes, if subsidiary reimburses parent under a written reimbursement agreement.	**Income Tax:** No, if subsidiary does not reimburse parent. **Social Insurance Contribution:** No, if subsidiary does not reimburse parent.	Share purchase rights under an ESPP should not be subject to prior clearance from the Capital Market Board provided that (i) the sale of shares does not take place in Turkey; (ii) information distributed to employees does not give the impression that the award is a public offering; and (iii) no other action that would qualify as a public offering is undertaken.	If funds are remitted outside of Turkey to purchase shares, the funds must be remitted through a bank licensed in Turkey. The sale or resale of shares traded on exchanges outside of Turkey by Turkish residents must be conducted through an intermediary institution licensed in Turkey.	Provided the grant of purchase rights is based on objective criteria (*i.e.*, performance or job category) and there is no reimbursement by subsidiary/local deduction, the benefits should not be considered part of an employee's salary. Written disclaimer recommended to reduce risk of plan entitlement.	Written consent to the collection, use and transfer of data abroad is recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Turkey **RS/RSU**	Tax treatment is unclear under Turkish law. Likely, no tax on grant or vesting provided the subsidiary does not reimburse the parent and take a tax deduction. Income tax on sale if no reimbursement by subsidiary/local deduction. Proposed law that will regulate tax of equity awards is temporarily on hold due to political situation in Turkey. If adopted as proposed, tax on vesting on fair market value of the shares and tax on sale.	Yes, if subsidiary reimburses parent under a written reimbursement agreement.	**Income Tax:** No, if subsidiary does not reimburse parent. **Social Insurance Contribution:** No, if subsidiary does not reimburse parent.	RS/RSUs awarded to employees should not be subject to prior clearance from the Capital Market Board provided that (i) the sale of shares does not take place in Turkey; (ii) information distributed to employees does not give the impression that the award is a public offering; and (iii) no other action that would qualify as a public offering is undertaken.	The sale or resale of shares traded on exchanges outside of Turkey by Turkish residents must be conducted through an intermediary institution licensed in Turkey.	Provided the grant of RS/RSUs is based on objective criteria (*i.e.*, performance or job category) and there is no reimbursement by subsidiary/local deduction, the benefits should not be considered part of an employee's salary. Written disclaimer recommended to reduce risk of plan entitlement.	Written consent to the collection, use and transfer of data abroad is recommended.
Turkey **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, if subsidiary bears the cost of award.	**Income Tax:** Yes. **Social Insurance Contributions:** Yes, unless contribution ceiling already met. Employer has to withhold the employee's contribution.	None.	None.	The payment will likely be considered part of salary for purposes of calculating the statutory severance compensation, unless the severance compensation threshold has been met.	Written consent to the collection, use and transfer of data abroad is recommended.
Ukraine **OPTION**	N/A (see "Exchange Controls" section). Otherwise, likely tax on spread at exercise. Tax on sale of shares.	Uncertain.	**Income Tax:** N/A (see "Exchange Controls" section). Otherwise, withholding and reporting by the subsidiary is not required, provided the subsidiary is not involved in the administration of the	There is some risk that the offer of an option plan may be subject to registration with the Ukrainian Securities Commission. Any distribution of foreign securities in Ukraine would fall under the requirement for the issuer to obtain a decision of the Ukrainian Securities Commission if any agreements or transactions related to the transfer of title to the securities would be	Investment in foreign shares requires a license from the National Bank of the Ukraine (the "NBU") for "investing abroad." If the securities were to be credited to a securities account belonging to a Ukrainian employee,	None.	The employee's written consent to the transfer of personal data must be obtained.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			awards, the award income is not considered part of local compensation and the subsidiary does not reimburse parent for the cost of the awards. **Social Insurance Contribution:** N/A (see "Exchange Controls" section). Otherwise, no social insurance contributions are required, provided the subsidiary is not involved in the administration of the awards, the award income is not considered part of local compensation and the subsidiary does not reimburse parent for the cost of the awards.	deemed concluded (or offered to be concluded) in the territory of Ukraine.	such employee would be required to obtain an individual license from the NBU for the "placement of currency values abroad" prior to such placement. Contact Baker & McKenzie for details.		
Ukraine **ESPP**	N/A (see "Exchange Controls" section). Otherwise, likely tax on discount at purchase. Tax on sale of shares.	Uncertain.	**Income Tax:** N/A (see "Exchange Controls" section). Otherwise, withholding and reporting likely not required, provided the subsidiary is not involved in the administration of the awards, the award income is not considered part of local compensation and the subsidiary does not reimburse parent for the cost of the awards. **Social Insurance**	There is some risk that the offer of purchase rights under an ESPP may be subject to registration with the Ukrainian Securities Commission. Any distribution of foreign securities in Ukraine would fall under the requirement for the issuer to obtain a decision of the Ukrainian Securities Commission if any agreements or transactions related to the transfer of title to the securities would be deemed concluded (or offered to be concluded) in the territory of Ukraine.	Investment in foreign shares requires a license from the National Bank of the Ukraine (the "NBU") for "investing abroad." If the securities were to be credited to a securities account belonging to a Ukrainian employee, such employee would be required to obtain an individual license from the NBU for the "placement of currency values abroad" prior to such placement. Contact Baker & McKenzie for details.	None.	The employee's written consent to the transfer of personal data must be obtained.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			Contribution: N/A (see "Exchange Controls" section). Otherwise, no social insurance contributions are required, provided the subsidiary is not involved in the administration of the awards, the award income is not considered part of local compensation and the subsidiary does not reimburse parent for the cost of the awards.				
Ukraine **RS/RSU**	N/A (see "Exchange Controls" section). Otherwise, likely tax on fair market value of shares at vesting. Tax on sale of shares.	Uncertain.	**Income Tax:** N/A (see "Exchange Controls" section). Otherwise, withholding and reporting by the subsidiary is not required, provided the subsidiary is not involved in the administration of the awards, the award income is not considered part of local compensation and the subsidiary does not reimburse parent for the cost of the awards. **Social Insurance Contribution:** N/A (see "Exchange Controls" section). Otherwise, no social insurance contributions required, provided the subsidiary is not	There is some risk that the offer of RS/RSUs may be subject to registration with Ukrainian Securities Commission. Any distribution of foreign securities in Ukraine would fall under the requirement for the issuer to obtain a decision of the Ukrainian Securities Commission if any agreements or transactions related to the transfer of title to the securities would be deemed concluded (or offered to be concluded) in the territory of Ukraine.	If the securities were to be credited to a securities account belonging to a Ukrainian employee, such employee would be required to obtain an individual license from the National Bank of the Ukraine for the "placement of currency values abroad" prior to such placement. Contact Baker & McKenzie for details.	None.	The employee's written consent to the transfer of personal data must be obtained.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			involved in the administration of the awards, the award income is not considered part of local compensation and the subsidiary does not reimburse parent for the cost of the awards.				
Ukraine **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of award. Written agreement recommended.	**Income Tax:** The employer is likely required to withhold income tax. Reporting requirements apply. **Social Insurance Contribution:** Employee and employer social insurance contributions will apply at payment (employee contributions are subject to monthly contribution ceiling). The employer is required to withhold the employee portion (if applicable).	Generally no, provided that the awards are paid in cash through local payroll.	Generally none, provided that the awards are paid in cash through local payroll.	None.	The employee's written consent to the transfer of personal data must be obtained.
United Arab Emirates **OPTION**	No income tax applies. Social insurance likely does not apply.	In most cases, no income tax applies to local subsidiary. Therefore, a subsidiary tax deduction is generally not applicable.	**Income Tax:** N/A **Social Insurance Contribution:** Withholding and reporting likely not required.	Generally, none. However, if the company is incorporated or registered in the Dubai International Financial Centre, certain restrictions apply.	None.	Generally no; however, plan documentation should state that the grant is a "one time" or irregular benefit extended to the employee.	Generally no; however, data protection laws apply to entities incorporated or registered in the Dubai International Financial Centre. The employee's prior written consent to the collection, use and transfer of data prior to grant should be obtained.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
United Arab Emirates **ESPP**	No income tax applies. Social insurance likely does not apply.	In most cases, no income tax applies to subsidiary. Therefore, a subsidiary tax deduction is generally not applicable.	**Income Tax:** N/A **Social Insurance Contribution:** Withholding and reporting likely not required.	Generally, none. However, if the company is incorporated or registered in the Dubai International Financial Centre, certain restrictions apply.	None.	Generally no; however, plan documentation should state that the grant is a "one time" or irregular benefit extended to the employee.	Generally no; however, data protection laws apply to entities incorporated or registered in the Dubai International Financial Centre. The employee's prior written consent to the collection, use and transfer of data prior to grant should be obtained.
United Arab Emirates **RS/RSU**	No income tax applies. Social insurance likely does not apply.	In most cases, no income tax applies to local subsidiary. Therefore, a subsidiary tax deduction is generally not applicable.	**Income Tax:** N/A **Social Insurance Contribution:** Withholding and reporting likely not required.	Generally, none. However, if the company is incorporated or registered in the Dubai International Financial Centre, certain restrictions apply.	None.	Generally no; however, plan documentation should state that the grant is a "one time" or irregular benefit extended to the employee.	Generally no; however, data protection laws apply to entities incorporated or registered in the Dubai International Financial Centre. The employee's prior written consent to the collection, use and transfer of data prior to grant should be obtained.
United Arab Emirates **Cash Award**	No income tax applies. Social insurance likely does not apply.	In most cases, no income tax applies to local subsidiary. Therefore, a subsidiary tax deduction is generally not applicable.	**Income Tax:** N/A **Social Insurance Contributions:** Withholding and reporting likely not required.	Generally, none. However, if the company is incorporated or registered in the Dubai International Financial Centre, certain restrictions apply.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount in termination indemnities, obligation to consult works council, etc. In the United Arab Emirates, entitlement risk is generally low; however, plan documentation should state that the grant is a "one time" or irregular benefit extended to the employee.	Generally no; however, data protection laws apply to entities incorporated or registered in the Dubai International Financial Centre. The employee's prior written consent to the collection, use and transfer of data prior to grant should be obtained.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
United Kingdom **OPTION**	Tax on spread at exercise. Tax-advantaged treatment is available for stock option plans (company share option plan or for small, high risk companies, enterprise management incentive plan), resulting in tax deferral and/or exemption for employees up to a certain limit. Tax on sale, subject to annual exclusion.	Generally allowed without reimbursement by the subsidiary to the parent. Legislation affecting deductions taken on or after January 1, 2003 sets forth qualification criteria and limits deduction to employee's taxable benefit. Administrative costs charged to UK subsidiary may be deducted only if a written reimbursement agreement has been executed.	**Income Tax:** Required to report grant and taxable event. Companies must register employee share plans with HMRC. Withholding required. No withholding obligation at taxable event for privately held companies where shares not considered "readily convertible assets." Annual share schemes return due by July 6th after the end of each UK tax year. **Social Insurance Contributions:** Yes, employee and employer contributions due at taxable event (uncapped). Employer may pass through employer contributions to employee by agreement or joint election (approved by HMRC). Employer is required to withhold employee's contributions (including any assumed employer contributions). Please contact Baker & McKenzie for joint election form. No social insurance contributions due at taxable event for	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in the United Kingdom. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.	None.	Generally no, if right to terminate plan is reserved in writing. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. The U.K. has adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent for the transfer of data abroad is required.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			awards issued by privately held companies where shares not considered "readily convertible assets."				
United Kingdom **ESPP**	Tax on discount at purchase. Tax-advantaged treatment is available for certain stock purchase arrangements (SAYE, SIP), resulting in tax deferral and/or exemption for employees up to a certain limit. Tax on sale, subject to annual exclusion.	Generally allowed without reimbursement by subsidiary to the parent. Legislation affecting deductions taken on or after January 1, 2003 sets forth qualification criteria and limits deduction to employee's taxable benefit. Administrative costs charged to UK subsidiary may be deducted only if a written reimbursement agreement has been executed.	**Income Tax:** Required to report grant and taxable event. Companies must register employee share plans with HMRC. Withholding required. No withholding obligation at taxable event for privately held companies where shares not considered "readily convertible assets." Annual share schemes return due by July 6th after the end of each UK tax year. **Social Insurance Contributions:** Yes, employee and employer contributions due at taxable event (uncapped). Employer may pass through employer contributions to employee by agreement or joint election (approved by HMRC). Employer is required to withhold employee's contributions (including any assumed employer contributions).	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus which may eventually eliminate the need to file a prospectus for U.S. listed companies. In addition, in November 2015, a draft EU Prospectus Regulation was published, aiming to replace the current EU Prospectus Directive. Under the current draft, a broad exemption from the prospectus filing requirement would apply to employee share plan offerings. However, it is uncertain when the Regulation will become final and whether it will be finalized in its current form. The EU Prospectus Directive has been fully implemented in the United Kingdom. ESPP is subject to the EU Prospectus Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies.	None.	Generally no, if right to terminate plan is reserved in writing. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. The U.K. has adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent for the transfer of data abroad is required.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			Please contact Baker & McKenzie for joint election form. No social insurance contributions due at taxable event for awards issued by privately held companies where shares not considered "readily convertible assets."				
United Kingdom **RS/RSU**	Tax at vesting for RS so long as restrictions lapse within five years; otherwise tax at grant. Employee could agree with employer to be taxed at grant of RS. Tax at vesting for RSU. Taxable amount is fair market value of the shares on the tax event. Tax on sale, subject to annual exclusion.	Generally allowed without reimbursement by the subsidiary to the parent. Legislation affecting deductions taken on or after January 1, 2003 sets forth qualification criteria and limits deduction to employee's taxable benefit. Administrative costs charged to UK subsidiary may be deducted only if a written reimbursement agreement has been executed.	**Income Tax:** Required to report grant and taxable event. Companies must register employee share plans with HMRC. Withholding required. No withholding obligation at taxable event for privately held companies where shares not considered "readily convertible assets." Annual share schemes return due by July 6th after the end of each UK tax year. **Social Insurance Contributions:** Yes, employee and employer contributions due at taxable event (uncapped). Employer may pass through employer contributions to employee by agreement or joint election (approved by	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU member states and European Economic Area ("EEA") countries. However, the interpretation of the EU Prospectus Directive by these countries has not always been consistent. In general, an EU-compliant prospectus will be required for an offering of securities in any EU or EEA member state unless an exemption or exclusion applies, but it then should be possible to use this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in the United Kingdom. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.	None.	Generally no, if right to terminate plan is reserved in writing. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. The U.K. has adopted local rules implementing this Directive, which may have an impact on design of equity and other incentive plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent for the transfer of data abroad is required.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			HMRC). Employer is required to withhold employee's contributions (including any assumed employer contributions). [Contact Baker & McKenzie for joint election form.] No social insurance contributions due at taxable event for awards issued by privately held companies where shares not considered "readily convertible assets."				
United Kingdom **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment.	Generally yes, because subsidiary bears the cost of award. Written agreement required.	**Income Tax:** Withholding required. **Social Insurance Contributions:** Yes. Employer and employee contributions due and employer must withhold employee portion.	None.	None.	Awards paid in cash through local payroll generally have increased plan entitlement risks, as well as other increased labor law risks such as the need to include amount when calculating termination indemnities, obligation to consult works council, etc. Discrimination against part-time employees is generally prohibited. The EU Council Directive 2000/78/EC prohibits age discrimination. The U.K. has adopted local rules implementing this Directive, which may have an impact on design of awards in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	Written consent for the transfer of data abroad is required.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
United States OPTION	**Nonqualified Stock Options** Tax on spread at exercise. Tax on sale of shares. Long-term capital gain rates apply if shares held more than 1 year. **Incentive Stock Options:** No tax on grant or exercise (except Alternative Minimum Tax may apply to spread at exercise). Tax on sale (generally, capital gain but ordinary income may apply to portion of gain up to spread at exercise if disqualifying disposition).	**Nonqualified Stock Options** Yes, on spread at exercise. No reimbursement to parent required. **Incentive Stock Options** Only if disqualifying disposition.	**Nonqualified Stock Options** **Income Tax:** Yes. **Social Insurance Contribution:** Yes, employer pays its share and withholds employee's share. **Incentive Stock Options** **Income Tax:** No withholding. Reporting of exercise and disqualifying disposition of shares. **Social Insurance Contributions:** No.	**Nonqualified Stock Options** Yes, but simple registration (Form S-8) applies for public company plans and exemptions are generally available for most private company plans. **Incentive Stock Options** Yes, but simple registration (Form S-8) applies for public company plans and exemptions are generally available for most private company plans.	**Nonqualified Stock Options** No. **Incentive Stock Options** No.	**Nonqualified Stock Options** No. **Incentive Stock Options** No.	**Nonqualified Stock Options** Generally, no. **Incentive Stock Options** Generally, no.
United States ESPP	**423 Qualified ESPPs** No tax at grant or purchase. At sale, generally a capital gain, but ordinary income applies as well for both qualifying and disqualifying dispositions. **Non-Tax Qualified ESPPs** Tax on discount at purchase. At sale, tax as long-term capital gain rates apply if shares held more than 1 year.	**423 Qualified ESPPs** Only if disqualifying disposition. **Non-Tax Qualified ESPPs** Yes, no reimbursement required.	**423 Qualified ESPPs** **Income Tax:** No withholding. Reporting of purchase and sale. **Social Insurance Contribution:** No. **Non-Tax Qualified ESPPs** **Income Tax:** Yes, on purchase. **Social Insurance Contributions:** Yes, employer pays its share and	**423 Qualified ESPPs** Yes, but simple registration (Form S-8) for public company plans and exemptions generally apply to most private company plans. **Non-Tax Qualified ESPPs** Yes, but simple registrations (Form S-8) applies for public company plans and exemptions are available for most private company plans.	**423 Qualified ESPPs** No. **Non-Tax Qualified ESPPs** No.	**423 Qualified ESPPs** No, but plan generally must cover all employees of parent and designated subsidiaries (part-time and seasonal employees can generally be excluded). **Non-Tax Qualified ESPPs** No.	**423 Qualified ESPPs** Generally, no. **Non-Tax Qualified ESPPs** Generally, no.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			withholds employee's share.				
United States **RS/RSU**	**RS** Tax at vesting. Employee may elect tax on grant under Section 83(b). Taxable amount is fair market value of the shares on the tax event (less any amount the employee pays for the shares). Tax on sale of shares. Long-term capital gain rates apply if shares held more than 1 year. **RSU** Tax when shares made available or delivered at or after vesting. Taxable amount is fair market value of the shares on the tax event (less any amount the employee pays for the shares). Tax on sale of shares. Long-term capital gain rates apply if shares held more than 1 year.	Yes. No reimbursement required.	**Income Tax:** Yes. **Social Insurance Contribution:** Yes. Employer pays its share and withholds employee's share.	Yes, but simple registration (Form S-8) applies for public company plans and exemptions are generally available for most private company plans.	No.	No.	Generally, no.
United States **Cash Award**	**SAR** No tax at grant. Tax on the amount received by the employee at exercise (*e.g.*, the spread). **Phantom** No tax at grant. Tax when cash is received upon vesting.	Generally, yes, because the payment would be considered an ordinary and necessary business expense as compensation for personal services received by the employer. No reimbursement required.	**Income Tax:** Yes. **Social Insurance Contributions:** Yes, employer pays its share and withholds employee's share.	None.	No.	No.	Generally, no.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
Vietnam **OPTION**	Tax on the gain at exercise/sale.	No.	**Income Tax:** Taxable income is split into employment income and income from securities. Withholding required on employment income portion. Official guidance regarding calculation of these income components is unclear. **Social Insurance Contribution:** No.	The Vietnamese government issued a decree indicating offerings by foreign issuers to employees in Vietnam are possible if conditions on foreign exchange control are met and the securities issued to employees are not traded on Vietnamese securities markets. (See "Exchange Controls" section.)	Under Circular 10 issued by the State Bank of Vietnam ("SBV"), companies granting equity awards to Vietnamese nationals must obtain SBV approval to grant As part of the registration, companies are required to establish an onshore bank account through which all funds towards the purchase and from the sale of shares under the plan must be funneled. Once registration is completed, quarterly reporting requirements apply. Repatriation of proceeds in connection with the awards is required.	Likely none, provided the discretionary and occasional nature of the award is well documented and the award is not seen to be part of local employment arrangement.	The employee's written consent to the transfer of personal data should be obtained.
Vietnam **ESPP**	Tax on discount at purchase.	No.	**Income Tax:** Taxable income is split into employment income and income from securities. Withholding required on employment income portion. Official guidance regarding calculation of these income components is unclear. **Social Insurance Contribution:** No.	The Vietnamese government issued a decree indicating offerings by foreign issuers to employees in Vietnam are possible if conditions on foreign exchange control are met and the securities issued to employees are not traded on Vietnamese securities markets. However, the State Bank of Vietnam has never issued an approval for a foreign ESPP transaction.	Under Circular 10 issued by the State Bank of Vietnam ("SBV"), companies granting equity awards to Vietnamese nationals must obtain SBV approval to grant equity awards. As part of the registration, companies are required to establish an onshore bank account through which all funds towards the purchase and from the sale of shares under the plan must be funneled.	Likely none, provided the discretionary and occasional nature of the award is well documented and the award is not seen to be part of local employment arrangement.	The employee's written consent to the transfer of personal data should be obtained.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
					Once registration is completed, quarterly reporting requirements apply. Repatriation of proceeds in connection with the awards is required. Employees may be required to provide local entity with separate authorization form regarding payroll deductions made under an ESPP to enable local entity to remit payroll deductions out of Vietnam.		
Vietnam **RS/RSU**	Tax on the gain at vest/sale.	No.	**Income Tax:** Taxable income is split into employment income and income from securities. Withholding required on employment income portion. Official guidance regarding calculation of these income components is unclear. **Social Insurance Contribution:** No.	The Vietnamese government issued a decree indicating offerings by foreign issuers to employees in Vietnam are possible if conditions on foreign exchange control are met and the securities issued to employees are not traded on Vietnamese securities markets. (See "Exchange Controls" section.) Also, it may be possible to structure RS/RSUs as cash-settled awards to avoid securities and foreign exchange law issues.	Under Circular 10 issued by the State Bank of Vietnam ("SBV"), companies granting equity awards to Vietnamese nationals must obtain SBV approval to grant equity awards. As part of the registration, companies are required to establish an onshore bank account through which all funds towards the purchase and from the sale of shares under the plan must be funneled. Once registration is completed, quarterly reporting requirements apply. Repatriation of proceeds in connection	Likely none, provided the discretionary and occasional nature of the award is well documented and the award is not seen to be part of local employment arrangement.	The employee's written consent to the transfer of personal data should be obtained.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
					with the awards is required. SBV previously ruled that RSUs which can be settled only in cash fall outside of SBV authority.		
Vietnam **Cash Award**	Taxed at payment. Taxable amount is amount of the cash payment. Cash award will be treated as employment income.	Yes, because the local subsidiary bears the cost of award. Written agreement between the local subsidiary and the employee is required for tax purpose.	**Income Tax:** The employer is required to withhold income tax on the amount of the cash payment to the employees. Reporting requirements apply. **Compulsory Insurance (Social/Health and Unemployment Insurances) Contributions:** No, provided that the cash payment is clearly defined as bonus.	None.	State Bank of Vietnam ("SBV"), previously ruled that RSUs which can be settled only in cash fall outside of SBV authority. Generally, there would be no risk if the employees do not hold or own any foreign shares at any time under their names, and foreign share prices at vesting are only used for calculation of cash payment.	To avoid entitlement risk, it should be clearly provided that the awards are granted at the foreign parent company's discretion. The cash payment must be clearly provided as bonus.	The employee's written consent to the transfer of personal data must be obtained.