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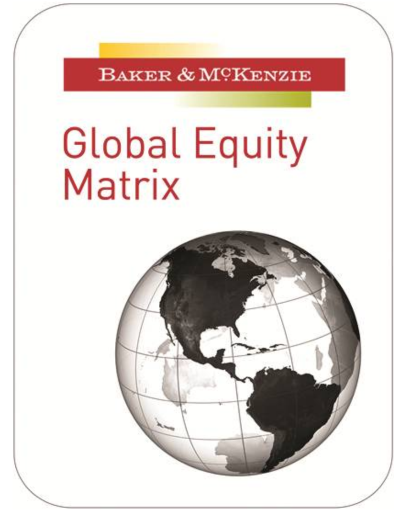
Employee Stock Options, Stock Purchase Rights, Restricted Stock and Restricted Stock Units



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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

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, foreign laws applicable to stock plans change frequently and are often unclear in their application to U.S. plans. Also, specific plan features, structure of legal entities, industry of issuer, types of shares used, specific tax rulings obtained, etc. may affect particular 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 taxable event and RSUs paid out in cash may vary in tax and legal treatment). Accordingly, reliance on this chart for answering specific tax/legal questions is not advised. Instead, this Matrix should be used as a guide to potential tax/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 SOP	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; however, exchange control restrictions effectively prohibit reimbursement (including cash netting to effect the reimbursement).	Income Tax: Yes. 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.	Ability to purchase foreign currency and remit funds abroad for the purchase of shares has been suspended indefinitely pursuant to a Central Bank communication issued in July 2012. For transfers into Argentina, no prior approval is necessary; however, the funds transferred may be subject to a mandatory deposit requirement. The transferor of the funds is responsible for compliance with the exchange control restrictions.	Significant entitlement issues, especially if grants made regularly/frequently.	Written consent from employees for the transfer of data abroad is required.
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; however, exchange control restrictions effectively prohibit reimbursement (including cash netting to effect the reimbursement).	Income Tax: Yes. 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.	Ability to purchase foreign currency and remit funds abroad for the purchase of shares has been suspended indefinitely pursuant to a Central Bank communication issued in July 2012. For transfers into Argentina, no prior approval is necessary; however, the funds transferred may be subject to a mandatory deposit requirement. The transferor of the funds is responsible for compliance with the exchange control restrictions. * Payroll deductions are technically not	Significant entitlement issues, especially if grants made regularly/frequently.	Written consent from employees for the transfer of data abroad is required.

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					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; however, exchange control restrictions effectively prohibit reimbursement (including cash netting to effect the reimbursement).	**Income Tax:** Yes. **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, the funds transferred may be subject to a mandatory deposit requirement. The transferor of the funds is responsible for compliance with the exchange control restrictions.	Significant entitlement issues, especially if grants made regularly/frequently.	Written consent from employees for the transfer of data abroad is required.
Australia **SOP**	<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 or 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	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. Contact Baker & McKenzie for more details. Shareholders of Australian entity may have to approve special termination benefits offered to directors of the Australian entity. Click here for alert on New Securities Law Exemptions and Guidance for Employee Incentive Plan in Australia.	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.	Privacy rules require company policy for cross-border data transfers. Written consent from employees for the transfer of data abroad is recommended. The data transferred should be used only for the purpose for which it was disclosed. An employee's tax file number should not be used for identification of the employee.

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	determined under 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.		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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	Options granted prior to July 1, 2009: If the option is a 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. Click here for alert on Australia Government Releases Draft Legislation on Changes to Employee Share Plan Taxation – January 2015.						
Australia ESPP	Generally, tax at purchase on the difference between the purchase price and	Allowed if the subsidiary reimburses the parent under a	**Income Tax:** Employers required to report taxable	Prospectus generally required unless exempted under Class Order 14/1000 (public companies), Class Order 14/1001 (private companies),	Reporting required for cash transactions in excess of A$10,000 and international fund	Generally not, if right to terminate plan is reserved in writing.	Privacy rules require company policy for cross-border data transfers. Written

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	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.	written reimbursement agreement.	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 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.	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. Click here for alert on New Securities Law Exemptions and Guidance for Employee Incentive Plan in Australia.	transfers of any amount. Usually handled by the bank.		consent from employees for the transfer of data abroad is recommended. The data transferred should be used only for the purpose for which it was disclosed. An employee's tax file number should not be used for identification of the employee.
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	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 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. Click here for alert on New Securities	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.	Privacy rules require company policy for cross-border data transfers. Written consent from employees for the transfer of data abroad is recommended. The data transferred should be used only for the purpose for which it was disclosed. An employee's tax file number should not

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	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 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. Awards granted prior to July 1, 2009: If the RSU is a qualifying right or the RS is a qualifying share (which should be the case), the employee may elect to be taxed on the market value of the award (as determined under		(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. Generally, payroll tax due grant, although in all states and territories, employer may elect to pay tax at vesting of RS/RSUs.	Law Exemptions and Guidance for Employee Incentive Plan in Australia.			be used for identification of the employee.

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	Australian tax law) on the date of grant. Otherwise, RS/RSUs that are qualifying rights/shares are generally taxed on the market value of the shares at vesting (as determined under Australian tax law). Non-qualifying rights/shares 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 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.						
Austria SOP	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 or spread is exempt from taxation or subject to a tax deferral. 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 rely on this prospectus in the other EU or EEA member states. The EU Prospectus Directive has been fully implemented in Austria. However,	Minor reporting requirements may apply.	Generally not, if notice is provided for each grant that plan is discretionary, voluntary and subject to termination at any time. Discrimination against part-time employees is generally prohibited. Works council (if any) may need to be advised 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	Employee's written consent to the collection, use and transfer of personal data abroad required. Registration is required prior to collection, use or transfer of any employee data. Transfers outside the EU may be subject to an additional approval requirement.

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				non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.		Directive, which may have an impact on design of equity 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 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 or discount is exempt from taxation or subject to a tax deferral or discount is exempt from taxation or subject to a tax deferral. 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 rely on this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the EU Prospectus Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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.	Generally not, if notice is provided for each grant that plan is discretionary, voluntary and subject to termination at any time. Discrimination against part-time employees is generally prohibited. Works council (if any) may need to be advised 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 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.	Employee's written consent to the collection, use and transfer of personal data abroad required. Registration is required prior to collection, use or transfer of any employee data. Transfers outside the EU may be subject to an additional approval requirement.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
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 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 or taxable amount is exempt from taxation or subject to a tax deferral. 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 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 free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.	Minor reporting requirements may apply.	Generally not, if notice is provided for each grant that plan is discretionary, voluntary and subject to termination at any time. Discrimination against part-time employees is generally prohibited. Works council (if any) may need to be advised 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 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.	Employee's written consent to the collection, use and transfer of personal data abroad required. Registration is required prior to collection, use or transfer of any employee data. requirement. Transfers outside the EU may be subject to an additional approval requirement.
Belgium SOP	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.	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	**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	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 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	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 plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*,	Written notification to the employee of transfer of data abroad, registration of database and notification of data transfer to Privacy Commission are required. An agreement between the parent and the Belgian subsidiary and the parent and its agents to keep information confidential is recommended. In addition, written consent from employees for the

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	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. Currently, no tax on sale but under proposed legislation, shares held for less than six months would be subject to tax at sale.	not deductible.	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. 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.	"transferable securities" subject to the EU Prospectus Directive.		accelerated or continued vesting) for those meeting the criteria.	collection and processing of data is recommended.
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). Currently, no tax on sale but under	Generally 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	**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.	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 rely on this prospectus in the other EU or EEA member states. In 2010, the EU Parliament approved changes to the	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 plans in the EU,	Written notification to the employee of transfer of data abroad, registration of database and notification of data transfer to Privacy Commission are required. An agreement between the parent and the Belgian subsidiary and the parent and its agents to keep information confidential is

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	proposed legislation, shares held for less than six months would be subject to tax at sale.	would be considered a capital loss on shares, which is not deductible.	Currently, reporting is required only to the extent a withholding obligation exists. **Social Insurance Contribution:** 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.	EU Prospectus Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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 in or passport a prospectus to Belgium, additional reporting requirements apply.		particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	recommended. In addition, written consent from employees for the collection and processing of data is recommended.
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). Currently, no tax on sale but under proposed legislation, shares held for less than six months would be subject to tax at sale.	Generally 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:** Generally no social insurance contributions are due unless the Belgian entity is a branch of	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 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 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 notification to the employee of transfer of data abroad, registration of database and notification of data transfer to Privacy Commission are required. An agreement between the parent and the Belgian subsidiary and the parent and its agents to keep information confidential is recommended. In addition, written consent from employees for the collection and processing of data is recommended.

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			the issuer or reimburses parent, or parent has granted award to fulfill obligation of Belgian entity.				
Brazil SOP	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 withholding and social security contributions. Amounts reimbursed relating to administrators, directors or members of the board of directors of Brazilian subsidiary are not 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	**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. **Social Insurance Contribution:** Likely due if local subsidiary reimburses parent or award income considered to be part of local compensation. If due, employee has to 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	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 required but are employee's obligation.	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 recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		effect the reimbursement is prohibited.)	and income not considered part of local compensation, uncertain due to recent tax court rulings which reached different conclusions.				
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 withholding and social security contributions. Amounts reimbursed relating to administrators, directors or members of the board of directors of Brazilian subsidiary are not 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.	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. Social Insurance Contribution: Likely due if local subsidiary reimburses parent or award income considered to be part of local compensation. If due, employee has to pay employer social insurance contributions and withhold employee portion of social insurance contributions (subject to monthly contribution ceiling for employee portion only).	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 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.	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 recommended.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		(Cash netting to effect the reimbursement is prohibited.)	If no reimbursement and income not considered part of local compensation, uncertain due to recent tax court rulings which reached different conclusions.				
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 the employee and is subject to withholding and social security contributions. Amounts reimbursed relating to administrators, directors or members of the board of directors of Brazilian subsidiary are not deductible. In addition, the commercial bank chosen to effect the transaction may require prior exchange control approval for	**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 Contribution:** Likely due if local subsidiary reimburses parent or award income considered to be part of local compensation. If due, employee has to pay employer social insurance contributions and withhold employee portion of social insurance contributions (subject to monthly contribution ceiling for employee portion only).	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 RSU/RS costs prohibited. Reporting of shares or other assets held abroad may be required but are employee's obligation.	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 recommended.

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		reimbursement, which may be difficult to obtain. (Cash netting to effect the reimbursement is prohibited.)	If no reimbursement and income not considered part of local compensation, uncertain due to recent tax court rulings which reached different conclusions.				
Canada SOP	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. The 2010 budget eliminated the regime that previously allowed deferral of tax on the first C$100,000 worth of options that vest in a given year until sale of shares, death of employee or employee becoming non-resident. Tax on sale. Taxable amount is one half of any capital gain.	Not available for stock-settled awards.	Income Tax: Generally, 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. Lodgment of any offer materials is required in Quebec. Contact Baker & McKenzie for details.	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 or deferral available. Tax on sale. Taxable amount is one half of any capital gain.	Not available for stock-settled awards.	Income Tax: Generally, 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	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. Lodgment of any offer materials is required in Quebec. Contact Baker & McKenzie for details.	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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			employers may be payable on award income.				
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 or deferral available. Tax on sale. Taxable amount is one half of any capital gain.	Not available for stock-settled awards.	**Income Tax:** Generally, 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. Lodgment of any offer materials is required in Quebec. Contact Baker & McKenzie for details.	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.
Chile SOP	Although not clear, our current view is no tax on spread at exercise unless subsidiary reimburses parent for spread and/or takes a local deduction. 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 applied when shares were acquired. As of January 1, 2017, tax likely on the spread at exercise and no additional tax at sale.	Possible with subsidiary reimbursement but will cause employee tax on exercise and may cause subsidiary to be taxed on the reimbursement payment to parent.	**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. Contact Baker & McKenzie for more information.	To purchase shares in excess of US$10,000, employees must comply with certain reporting obligations, even if cashless exercise is used. Quarterly reporting for foreign investments greater than US$5 million required.	Yes, especially if subsidiary reimburses parent. May be mitigated with employee's acknowledgement and waiver.	Written consent from employees for the collection, use and transfer of data abroad is recommended.
Chile	Although not clear, our view is no tax on	Possible with subsidiary	**Income Tax:**	Offer of ESPP to more than 50 individuals in Chile generally will be	To remit funds in excess of US$10,000	Yes, especially if subsidiary reimburses	Written consent from employees for

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ESPP	discount at purchase unless subsidiary reimburses parent for discount and/or takes a local deduction. 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 applied when shares were acquired. As of January 1, 2017 tax likely on the discount at purchase and no additional tax at sale.	reimbursement but will cause employee tax on purchase and may cause subsidiary to be taxed on the reimbursement payment to parent.	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.	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. Contact Baker & McKenzie for more information.	for purchase of shares, employer (on behalf of employees) must comply with certain reporting obligations. Quarterly reporting for foreign investments greater than US$5 million required.	parent. May be mitigated with employee's acknowledgement and waiver.	the collection, use and transfer of data abroad is recommended.
Chile 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; 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.	**Income Tax:** No, unless subsidiary reimburses the parent and seeks a local deduction. **Social Insurance Contribution:** Likely yes, regardless of reimbursement. Employer has to withhold employee's contributions. No employer contributions.	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. Contact Baker & McKenzie for more information.	Quarterly reporting for foreign investments greater than US$5 million required.	Yes, especially if subsidiary reimburses parent. May be mitigated with employee's acknowledgement and waiver.	Written consent from employees for the collection, use and transfer of data abroad is recommended.
China SOP	Tax on spread at exercise. *If Notice 35 filing completed (see Withholding & Reporting section) and certain other requirements met, tax	May be possible with subsidiary reimbursement, especially if under a written reimbursement agreement between subsidiary and parent;	**Income Tax:** Withholding and reporting required at the taxable event. Notice 35 filing required with local tax bureau prior to	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	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	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	PRC regulations require that employers keep confidential an employee's personal data/information, and not publicize such data without the employee's

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	may be calculated under a favorable formula which generally results in reduction of taxation. Tax on sale.	however, if the cost of the plan is categorized as an administration / management fee by the foreign parent, the cost probably will not be eligible for a tax deduction. However, reimbursement likely 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.)	implementation of the plan. Specific requirements vary by bureau. **Social Insurance Contribution:** Although uncertain, social insurance contributions are likely not required.	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.	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 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 special SAFE-approved 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).	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.	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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
					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: Cash-settled awards paid by a non-PRC entity generally are subject to Circular 7. Cash or cash-settled awards paid locally likely are not subject to Circular 7. 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.		
China ESPP	Tax on discount at purchase. *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. However, not all tax bureaus allow favorable treatment	May be possible with subsidiary reimbursement, especially if under a written reimbursement agreement between subsidiary and parent; however, if the cost of the plan is categorized as an administration / management fee by the foreign parent, the cost probably will not be	**Income Tax:** Withholding and reporting required at the taxable event. Notice 35 filing may be required with local tax bureau prior to implementation of the plan. Specific requirements vary by bureau. **Social Insurance Contribution:**	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	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	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	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

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	under Notice 35 for ESPP. Tax on sale.	eligible for a tax deduction. However, reimbursement likely 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.)	Although uncertain, social insurance contributions are likely not required.	shares when acquired.	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 maximum amount that can be sent out of China through the special SAFE-approved 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.	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.	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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					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 expressly consent to payroll deductions, and it is made clear that the ESPP contributions do not reduce overall remuneration.		
China RS/RSU	Tax likely at vesting for RS/RSU. Taxable amount is fair market value of the shares on the tax event. *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	May be possible with sub reimbursement, especially if under a written reimbursement agreement between sub and parent; however, if the cost of the plan is categorized as an administration / management fee by the foreign parent, the cost probably will not be	**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:**	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	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	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	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

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	reduction of taxation. Tax on sale.	eligible for a tax deduction. However, reimbursement likely 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.)	Although uncertain, social insurance contributions are likely not required.	immediately sell shares when acquired.	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., 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: Cash-settled awards paid by a non-PRC entity generally are subject to Circular 7. Cash or cash-settled awards paid locally likely are not subject to Circular 7.	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.	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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
					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.		
Colombia SOP	Arguably, no tax at exercise, unless subsidiary reimburses parent for spread. If subsidiary reimburses parent, spread would be treated as labor income and tax would be due at exercise. Tax on sale.	Yes, if subsidiary reimburses parent and withholding and social insurance obligations are satisfied (see Withholding and Reporting section). To mitigate exchange control issues, wiring of funds (either from Colombia or from a Colombian subsidiary account overseas) to effect reimbursement are preferred.	**Income Tax:** No, unless the subsidiary reimburses parent and claims a local deduction or is otherwise involved in the grant. **Social Insurance Contribution:** No, unless reimbursement is made. Even if reimbursement, no social insurance if there is an agreement that the benefits are not part of salary.	Yes, onerous filing requirement if over 99 offerees, but separate and distinct offerings need not be aggregated.	If funds are remitted to purchase shares, an exchange declaration by the employee is required and investment is automatically registered with the Bank of the Republic. These obligations also apply in case of subsidiary reimbursement. If employee's aggregate investments abroad are $500,000 or more, investments must be registered with the Bank of the Republic.	Yes, but may be mitigated with employee agreement that grant is discretionary, that the plan is subject to termination and that benefits are not salary.	Written consent from the employee for the collection, use and transfer of data abroad before implementing the plan is recommended.
Colombia ESPP	Arguably, no tax at purchase, unless subsidiary reimburses parent for discount. If subsidiary reimburses parent, discount would be treated as labor income and tax would be due at purchase. Tax on sale.	Yes, if subsidiary reimburses parent and withholding and social insurance obligations are satisfied (see Withholding and Reporting section). To mitigate exchange control issues, wiring of funds (either from Colombia or from a	**Income Tax:** No, unless the subsidiary reimburses parent and claims a local deduction or is otherwise involved in the grant. **Social Insurance Contribution:** No, unless	Yes, onerous filing requirement if over 99 offerees, but separate and distinct offerings need not be aggregated.	If funds are remitted to purchase shares, an exchange declaration by the employee is required and investment is automatically registered with the Bank of the Republic. These obligations also apply in case of subsidiary reimbursement.	Yes, but may be mitigated with employee agreement that grant is discretionary, that the plan is subject to termination and that benefits are not salary.	Written consent from the employee for the collection, use and transfer of data abroad before implementing the plan is recommended.

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		Colombian subsidiary account overseas) to effect reimbursement are preferred.	reimbursement is made. Even if reimbursement, no social insurance if there is an agreement that the benefits are not part of salary.		If employee's aggregate investments abroad are $500,000 or more, investments must be registered with the Bank of the Republic.		
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 and withholding and social insurance obligations are satisfied (*see* Withholding and Reporting section). To mitigate exchange control issues, wiring of funds (either from Colombia or from a Colombian subsidiary overseas) to effect reimbursement are preferred.	Income Tax: No, unless the subsidiary reimburses parent and claims a local deduction or is otherwise involved in the grant. Social Insurance Contribution: No, unless reimbursement is made. Even if reimbursement, no social insurance if there is an agreement that the benefits are not part of salary.	Onerous filing requirements may apply if over 99 offerees, but separate and distinct offerings need not be aggregated.	If subsidiary reimburses parent, an exchange declaration by the employee is required and investment is automatically registered with the Bank of the Republic. If employee's aggregate investments abroad are $500,000 or more, investments must be registered with the Bank of the Republic.	Yes, but may be mitigated with employee agreement that grant is discretionary, that the plan is subject to termination and that benefits are not salary.	Written consent from the employee for the collection, use and transfer of data abroad before implementing the plan is recommended.
Czech Republic SOP	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 adequately documents the reimbursement internally, *e.g.*, in	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. The EU Prospectus Directive has been fully implemented in the Czech	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 subsidiary's supervisory board or board of directors is required to offer awards to executive	Employees' advance written consent required for the collection, processing, use and transfer of employees' personal data, as well as for maintaining an employee information database.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		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.		Republic. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.		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 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 reimbursement internally, *e.g.*, in employment contract (which	**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 EU Prospectus Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies.	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 notification/consultation obligations apply if subsidiary bears the costs of awards.	Employees' advance written consent required for the collection, processing, use and transfer of employees' personal data, as well as for maintaining an employee information database.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		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.		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.		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 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. 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	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 Tax:** No, unless the local subsidiary reimburses the parent. **Social Insurance Contribution:** Generally, no, unless 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	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 subsidiary bears the costs of awards.	Employees' advance written consent required for the collection, processing, use and transfer of employees' personal data, as well as for maintaining an employee information database.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	shareholder is CZK100,000 or less.	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.	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.		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 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 SOP	Tax on spread at exercise for options. Previously, a tax-favorable regime was available (provided certain requirements were met) at the election of the employee and the employer which deferred tax until sale. However, this regime was abolished for all	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. No employer withholding obligation. **Social Insurance Contributions:** Employee subject to social 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	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	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
	grants made after November 21, 2011. Tax on sale. In some cases, shares acquired before January 1, 2006 may qualify for special tax treatment.		No employer withholding required.	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.		awards and may be entitled to at least pro-rated portion of any annual grant made in year of termination. A Supreme Court decision applies to options granted prior to July 1, 2004 and provides that 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 adopted local rules implementing this Directive, which may have an impact on design of equity 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. Tax on sale. In some cases, shares acquired before January 1, 2006 may qualify for special tax treatment.	Allowed if subsidiary reimburses parent under a written reimbursement agreement.	Income Tax: Reporting required at taxable event. No employer withholding obligation. 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	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,	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
			Employee subject to social contributions. No employer withholding required.	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 Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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.		terminated employees may have a right to participate in current ESPP purchase. 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 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 RS/RSU	Tax at grant for RS. Tax likely at vesting for RSU, but may depend on terms of award. Previously, tax was generally at grant for RSU subject to time-based vesting, unless forfeited at death and/or vesting period was 3 years or more, and tax was at vesting for RSU subject to vesting criteria other than continued employment. Based on the latest administrative practice of the Danish tax authorities, it is possible that tax on RSU may be deferred	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. No withholding obligation. **Social Insurance Contributions:** Employee subject to social 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	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	Written consent from employees for the transfer of data abroad is strongly recommended.

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	until vesting for RSU subject to time-based vesting, even if all RSU vest within 3 years from grant. Contact Baker & McKenzie for more information on how to defer tax to vesting.. 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. Previously, a tax-favorable regime was available (provided certain requirements were met) at the election of the employee and the employer which deferred tax until sale. However, this regime was abolished for all grants made after November 21, 2011. Tax on sale. In some cases, shares acquired before January 1, 2006 may qualify for special tax treatment.			the EU Prospectus Directive.		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 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.	
Egypt SOP	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: Employee and employer social	None, provided stock is 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
			contributions at exercise if subsidiary reimburses parent and/or spread is considered part of the base salary or differential salary of the employee.				
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:** Employee and employer social contributions at purchase if subsidiary reimburses parent and/or discount is considered part of the base salary or differential salary of the employee.	None, provided stock is 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 at payment. Taxable amount is amount of the cash payment.	Likely yes, if subsidiary reimburses the parent.	**Income Tax:** Withholding and reporting generally required. **Social Insurance Contributions:** Employee and employer social contributions will be due, subject to the applicable ceiling.	None, provided stock is 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.
Finland SOP	Tax on spread at exercise. Tax on sale, subject to certain deductions.	Yes, if subsidiary reimburses parent pursuant to a written agreement, shares acquired in public trading and grants based on	**Income Tax:** Withholding and reporting required at 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. However, the interpretation of the EU Prospectus Directive by these	None.	Employees should be required to acknowledge discretionary nature of awards. Even with acknowledgment, stock benefits may be taken into account in	Written consent from employees should be obtained.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		employment relationship. Confirmation with Finnish authorities is recommended.	**Social Insurance Contributions:** Generally, only the employee-paid health insurance premium due on spread at exercise and included in general withholding rate.	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. Companies must comply with disclosure requirements under the Finnish Securities Market Act and provide employees with certain information regarding the offer.		determining the amount of compensation for unlawful 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 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.	
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, shares acquired in public trading and grants based on employment relationship. Confirmation with Finnish authorities is recommended.	**Income Tax:** Withholding and reporting required at purchase. **Social Insurance Contributions:** Generally, only the employee-paid health insurance premium due on discount at purchase and included in general withholding rate. There is a risk that additional social security contributions are due unless newly issued shares are used and awards offered to majority of Finnish employees.	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 Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. The EU Prospectus Directive has been fully implemented in Finland. ESPP is subject to the EU Prospectus	None.	Employees should be required to acknowledge discretionary nature of awards. Even with acknowledgment, stock benefits may be taken into account in determining the amount of compensation for unlawful 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 plans in the EU,	Written consent from employees should be obtained.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
				Directive. Therefore, a prospectus must be filed unless an exemption or exclusion applies. Companies must also comply with disclosure requirements under the Finnish Securities Market Act and provide employees with certain information regarding the offer (whether or not a prospectus is required).		particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
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. Tax on sale, subject to certain deductions.	Yes, if subsidiary reimburses parent pursuant to a written agreement, shares acquired in public trading and grants based on employment relationship. Confirmation with Finnish authorities is recommended.	Income Tax: Withholding and reporting required at taxable event (likely grant for RS and vesting for RSUs). Withholding in shares is problematic. Social Insurance Contributions: Generally, only the employee-paid health premium due on income at taxable event and included in general withholding rate. There is a risk that additional social security contributions are due on RS and RSUs which vest within one year from grant unless newly issued shares are used and the awards offered to majority of Finnish employees.	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 free offers of RS/RSUs 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, stock benefits may be taken into account as salary in determining the amount of compensation for unlawful 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 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 should be obtained.
France SOP	Tax on spread at exercise. Tax qualification may be available for option	Yes, a limited deduction may be available under certain conditions.	Income Tax: Generally no income tax withholding required for French	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.	Minor reporting requirements may apply.	Possibly. Disclaimer is strongly recommended. Increased entitlement risk if grants are regularly	Employees' written consent for the collection, use and transfer of data abroad is

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	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.	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 options. Employer social tax applies at grant of French-qualified	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.		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 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.	recommended. Database of employee information and any data intended to be transferred must be declared to the Commission Nationale de L'Informatique et des Libertés ("CNIL").

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			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.	Yes, a limited deduction may be available under certain conditions. 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 Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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 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 for the collection, use and transfer of data abroad is recommended. Database of employee information and any data intended to be transferred must be declared to the Commission Nationale de L'Informatique et des Libertés ("CNIL").
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	Yes, a limited deduction may be available under certain conditions. Currently, a deduction is generally allowed only with respect to shares that the parent has repurchased, not newly issued	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	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	Minor reporting requirements may apply.	Yes. Cash-settled RSUs could be viewed as a remuneration item (and, as such, an addendum to the employment contract), which would require that the terms be entered into French and which may require consultation with works council (if applicable). Discrimination against	Employees' written consent for the collection, use and transfer of data abroad is recommended. Database of employee information and any data intended to be transferred must be declared to the Commission

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	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 pan 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. Tax on sale.	shares, and only with respect to the actual loss sustained; a written reimbursement agreement is recommended.	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. 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,	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.		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 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.	Nationale de L'Informatique et des Libertés ("CNIL").

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			but employer is not required to withhold.				
Germany SOP	Tax on spread at exercise. Small deduction may apply. Taxable event may be delayed until shares are debited from company's books after exercise. In addition, the fair market value of the shares on the date of the taxable event may be the lowest market price on that date. It is not certain if this rule applies to companies whose shares are not listed on an EU exchange. 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 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 recommended. Consent should be obtained in writing (not electronically unless advanced electronic signature is used). If at least 10 employees are occupied (even if only occasionally) with collecting, processing or using personal data, it may be necessary to register automated databases and/or appoint a data protection officer.
Germany ESPP	Tax on discount at purchase. Small deduction may apply. Taxable event may be delayed until shares are debited from company's books. In addition, the fair market value of the shares on the date of the taxable event may be the lowest market price on that date. It is not certain if this rule	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 collection, use and transfer of data abroad is recommended. Consent should be obtained in writing (not electronically unless advanced electronic signature is used). If at least 10 employees are occupied (even if only occasionally)

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	applies to companies whose shares are not listed on an EU exchange. 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.	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 Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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 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.	with collecting, processing or using personal data, it may be necessary to register automated databases and/or appoint a data protection officer.
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). In addition, the fair market value of the shares on the date of the taxable event may be the lowest market price on that date. It is not certain if this rule applies to companies whose shares are not listed on an EU exchange. 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	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 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 recommended. Consent should be obtained in writing (not electronically). If at least 10 employees are occupied (even if only occasionally) with collecting, processing or using personal data, it may be necessary to register automated databases and/or appoint a data protection officer.

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	obtain a wage tax ruling before relying on this decision. 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.						
Hong Kong SOP	Tax on spread at exercise. No tax on sale.	Generally allowed if subsidiary reimburses parent.	Income Tax: No withholding required. Reporting required (for grant and exercise of options). 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.	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. Amendments to Ordinance are pending which will deal with third party service providers, data security and records retention.
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. Amendments to Ordinance are pending which will deal with third party service providers,

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
							data security and records retention.
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 stock plan as retirement scheme subject to registration/ exemption process if benefits under plan are paid only in cash.	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. Amendments to Ordinance are pending which will deal with third party service providers, data security and records retention.
Hungary SOP	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). If applicable, tax on only 78% of the spread at exercise. Deferral of tax on spread available for Hungarian tax-qualified stock options. 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 &	None.	Generally not, provided U.S. (or non-Hungarian) law is the governing law. 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 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 recommended. In addition, registration with the Data Protection Commissioner may be required to transfer the data outside the EU.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
				McKenzie for further details.			
Hungary ESPP	Tax on discount at purchase. Note that the tax base may be reduced if the employee is required to pay health tax contributions (which is likely the case). If applicable, tax on only 78% of the discount at purchase. 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. In 2010, the EU Parliament approved changes to the EU Prospectus Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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.	None.	Generally not, provided U.S. (or non-Hungarian) law is the governing law. 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 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.	Written consent from employees for the transfer of data abroad is recommended. In addition, registration with the Data Protection Commissioner may be required to transfer the data outside the EU.
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 contributions (which is likely the case). If applicable, tax on only 78% of the fair market	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	None.	Generally not, provided U.S. (or non-Hungarian) law is the governing law. 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 plans in the EU, particularly on age or age and service provisions	Written consent from employees for the transfer of data abroad is recommended. In addition, registration with the Data Protection Commissioner may be required to transfer the data outside the EU.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	value of the shares on the taxable event. Tax on sale.			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.		which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
India SOP	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, but exchange control approval likely required. Cash netting to effect the reimbursement is not permitted.	**Income Tax:** Yes. **Social Insurance Contributions:** No.	The Indian Parliament recently has approved the Companies Act, 2013, which introduces changes to securities laws governing the offer of SOP. It is possible that prospectus requirements could apply to the offer unless an exemption is available, but clarifications on the new law are pending. Contact Baker & McKenzie for further details.	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 a special form and 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 and reservation of the right to transfer information to group companies or third parties is recommended.
India ESPP	Tax on discount at purchase (fair market value of the shares	Allowed if subsidiary reimburses parent,	**Income Tax:** Yes.	The Indian Parliament recently has approved the Companies Act, 2013, which introduces changes to	Reserve Bank of India ("RBI") approval required, unless	Not generally, provided awards are not part of employment contract.	Written consent and reservation of the right to transfer

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	must be determined by an Indian merchant bank, unless shares are listed in India). Tax on sale.	but exchange control approval likely required. Cash netting to effect the reimbursement is not permitted.	**Social Insurance Contributions:** No.	securities laws governing the offer of ESPP. It is possible that prospectus requirements could apply to the offer unless an exemption is available, but clarifications on the new law are pending. [Contact Baker & McKenzie for further details.]	(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 a special form and an authorized dealer when funds are remitted to purchase shares and submit an annual return to the RBI reporting on the remitted amounts. Repatriation of sale proceeds/dividends is required. *Cash netting to remit payroll deductions under ESPP is not permitted.		information to group companies or third parties is recommended.
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, but exchange control approval likely required. Cash netting to effect the reimbursement is not permitted.	**Income Tax:** Yes. **Social Insurance Contributions:** No.	The Indian Parliament recently has approved the Companies Act, 2013, which introduces changes to securities laws governing the offer of RS/RSUs. It is possible that prospectus requirements could apply to the offer unless an exemption is available, but clarifications on the new law are pending. [Contact Baker & McKenzie for further details.]	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 and reservation of the right to transfer information to group companies or third parties is recommended.
Indonesia SOP	Likely no tax at exercise unless reimbursement/local tax deduction. If reimbursement/local tax deduction, tax on spread at exercise.	Likely allowed if subsidiary reimburses parent under a written reimbursement agreement, benefit from the plan is treated as cash	**Income Tax:** Likely no, unless subsidiary reimburses parent. **Social Insurance Contributions:**	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. 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 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
	Tax on sale.	remuneration and the general requirements of deductibility are satisfied.	No, unless subsidiary reimburses parent and the plan benefits are treated as cash remuneration and part of the employees' base salary.	requirement.			
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, benefit from the plan 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 plan benefits are 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.	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 collection, use and transfer of data abroad is recommended.
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, benefit from the plan 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 plan benefits are 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 collection, use and transfer of data abroad is recommended.
Ireland **SOP**	Generally, tax on spread at exercise. Favorable tax treatment for options	Generally allowed if subsidiary reimburses parent under a written	**Income Tax:** Annual reporting of grant and exercise required for options.	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	Recommend obtaining employees' written consent for the transfer of data

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	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.	reimbursement agreement and certain conditions are met (including shareholder approval), although availability of deduction may be challenged.	Beginning for the 2014 tax year, such reporting must be completed electronically. Withholding is not required for options. **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. Employer is not required to withhold PRSI or USC on options. 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. 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 interest representing 1% or more 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.		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 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 and executing agreements between the parent, subsidiary and agents to ensure compliance with the Data Protection Act. Employees' PPS numbers (Irish SSNs) should not be collected unless for a specific purpose permitted by law.
Ireland ESPP	Generally, tax on discount at purchase. Tax qualification available for certain share scheme (e.g., SAYE) which defers income tax until sale, provided certain conditions are met. However, employee social insurance contributions now due on any benefit realized under such a scheme. Tax on sale, subject to	Generally allowed if subsidiary reimburses parent under a written reimbursement agreement and certain conditions are met (including shareholder approval), although availability of deduction may be challenged.	**Income Tax:** Annual reporting of grant and purchase required for ESPP if ESPP is treated as "option" for purposes of Irish tax law. If reporting is required, beginning for the 2014 tax year, such reporting must be completed electronically. Withholding will depend on whether	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	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	Recommend obtaining employees' written consent for the transfer of data abroad and executing agreements between the parent, subsidiary and agents to ensure compliance with the Data Protection Act. Employees' PPS numbers (Irish

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	annual exclusion.		ESPP is treated as "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 depend on whether ESPP is treated as "option" for purposes of Irish tax law. Employer PRSI does not apply.	Parliament approved changes to the EU Prospectus Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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 interest representing 1% or more 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.		adopted local rules implementing this Directive, which may have an impact on design of equity 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.	SSNs) should not be collected unless for a specific purpose permitted by law.
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. Taxable amount may be reduced if certain restrictions apply to the shares acquired and other conditions are met. 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), although availability of deduction may be challenged.	**Income Tax:** Reporting through PAYE system at grant for RS/vesting for RSUs. Annual reporting is no longer required. Withholding required. **Social Insurance Contributions:** Universal Social Charges ("USC") are due on all equity award income. Employee social insurance contributions (PRSI	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	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 plans in the EU, particularly on age or age	Recommend obtaining employees' written consent for the transfer of data abroad and executing agreements between the parent, subsidiary and agents to ensure compliance with the Data Protection Act. Employees' PPS numbers (Irish SSNs) should not be collected unless for a specific purpose permitted by law.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			charges) are due on all equity award income. Employer is required to withhold USC and employee PRSI due on RS/RSU. Employer PRSI does not apply.	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 interest representing 1% or more 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.		and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
Israel SOP	Generally, tax on sale, both for awards granted under non-trustee plan and under Section 102 trustee plan. Under a non-trustee plan, employees are typically 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 discount between exercise price and market value of shares at grant; the remainder is taxed at capital gains rate.	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* Tax 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, 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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	Special deposit and lock up periods apply to trustee plans. Under Israeli tax law, market value is calculated as the 30-day average price prior to the date of determination.						
Israel ESPP	Generally, tax on sale, both for awards granted under non-trustee plan and under Section 102 trustee plan. 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 purchase price). Under the capital gain method, employees generally are taxed at marginal rates on the discount at grant; the remainder is taxed at capital gains rate. Special deposit and lock up periods apply to trustee plans. Under Israeli tax law, market value is calculated as the 30-day average price prior to the date of determination. *For ESPPs offered under a non-trustee plan, it is 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 ordinary income, *i.e.,* the entire gain under the income method and a portion of the gain under the capital gain method - *see* Tax 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, 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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	confirming characterization of the ESPP as a "share plan" (as opposed to an "option plan"), in which case tax will be due at purchase and any increase in value between purchase and sale will be subject to capital gains tax at sale.						
Israel RS/RSU	Generally, tax on sale, both for RS/RSUs granted under non-trustee plan and under Section 102 trustee plan. Under a non-trustee plan, RS likely taxed at grant and sale and RSU is taxed at 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 value of the underlying shares (RS/RSU) at grant and at capital gains rates on the additional gain at sale. Special deposit and lock up periods apply to trustee plans. Under Israeli tax law, market value is calculated as the 30-day average price prior	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* Tax section for further details. Generally not available with a non-trustee plan (except for RS with respect to income taxed at grant).	**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, 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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	to the date of determination. For RSUs offered under a non-trustee plan, it many be possible to apply for a ruling confirming tax at vesting, instead of sale. In this case, any increase in value between vesting and sale will be subject to capital gains tax at sale.						
Italy SOP	Tax at exercise on spread. Annual exemption may apply to first €2,065 of spread if shares held 3 years from date of exercise and certain other requirements met. Tax on sale. *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 exemption applies. **Social Insurance Contributions:** No social insurance contributions apply.	Italian financial intermediary is generally required regardless of number of offerees (exception for offers made in person/hard-copy). Cashless sell-all method for options will avoid this requirement. 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 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 plan 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 terms of plan and any non-negotiated award or other agreement. 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 plans in the EU, particularly on age or age and service which give different treatment (e.g.,	Appointment of data controller in Italy may be required. Employee consent required for collection/transfer of data, unless necessary to conclude/perform a contract.

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						accelerated or continued vesting) for those meeting the criteria.	
Italy ESPP	Tax at purchase on discount. Annual exemption may apply to first €2,065 of discount if shares held 3 years from date of purchase and certain other requirements met. Tax on sale. *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 exemption applies. Social Insurance Contributions: For ESPP, social tax likely applies unless exemption applies. If applicable, employer has to withhold employee's contributions.	Italian financial intermediary is generally required regardless of number of offerees (exception for offers made in person/hard-copy). 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 Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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.	Minor reporting requirements may apply for employees.	Possible entitlement issues. Although the risks may be reduced if employees acknowledge discretionary nature of plan and plan 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 terms of plan and any non-negotiated award or other agreement. 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 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.	Appointment of data controller in Italy may be required. Employee consent required for collection/transfer of data unless necessary to conclude/perform a contract.
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	Allowed if subsidiary reimburses parent under a written agreement. The deduction may be limited to accounting	Income Tax: Withholding and reporting required unless exemption applies. Social Insurance	Financial intermediary requirements likely do 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.	Minor reporting requirements may apply for employees.	Possible entitlement issues. Although the risks may be reduced if employees acknowledge discretionary nature of plan and plan is excluded from salary, a Milan labor court has ruled that	Appointment of data controller in Italy may be required. Employee consent required for collection/transfer of data unless necessary to

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	taxable amount of shares held three years from date of grant (RS) or vesting (RSU) and certain other requirements are met. Tax on sale. *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.	expense of award based upon OECD guidelines on transfer pricing and may increase labor risks.	**Contributions:** Generally no social tax, provided RS/RSU grants not eligible for €2,065 exemption or if eligible for exemption, within €2,065 threshold. If applicable, employer has to withhold employee's contributions.	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 Italy. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive		income from a stock option exercise is employment compensation. Employees should also expressly agree to accept terms of plan and any non-negotiated award or other agreement. 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 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.	conclude/perform a contract.
Japan SOP	Tax on spread at exercise, probably 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.	Law uncertain; however, probably allowed if the subsidiary buys shares and sells or transfers them to employees. Accounting rules and deduction rules for Japanese companies arguably provide more support for corporate deduction with a reimbursement agreement. No deduction allowed for benefits	**Income Tax:** Generally no withholding, unless the subsidiary bears the cost of providing plan benefits, is significantly involved and delivers shares to employees. Due to recent audit activity, issues of withholding should be revisited on a regular basis. Japanese companies that are at least 50% owned by offshore companies and	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-	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.	Not generally, 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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		granted to officers or directors of the subsidiary.	Japanese branches of offshore companies will need to report income employees earn from equity awards. Social Insurance Contributions: Generally, no.	month aggregation rule applies to the 50 offeree threshold). Cashless exercise restriction does not avoid securities requirements for options.			
Japan ESPP	Tax on discount at purchase, probably 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.	Law uncertain; however, probably allowed if the subsidiary buys shares and sells or transfers them to employees. Accounting rules and deduction rules for Japanese companies arguably provide more support for corporate deduction with a reimbursement agreement. No deduction allowed for benefits granted to officers or directors of the subsidiary.	Income Tax: Generally no withholding, unless the subsidiary bears the cost of providing plan benefits, is significantly involved and delivers shares to employees. Due to recent audit activity, issues of withholding should be revisited on a regular basis. Japanese companies that are at least 50% owned by offshore companies and Japanese branches of offshore companies will need to report income employees earn from equity awards. 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. An additional notification is required for purchase of shares with a value in excess of ¥100,000,000. *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.	Not generally, if right to terminate plan is reserved in writing.	Employee's consent to the collection, use and transfer of data is recommended.
Japan RS/RSU	Likely tax at vesting for RS/RSUs; however, tax consequences are uncertain and tax at grant is possible (especially if RS/RSU carries voting/dividend rights). RS/RSU	Law uncertain; however, probably allowed if the subsidiary buys shares and sells or transfers them to employees. Accounting rules	Income Tax: Generally no withholding, unless the subsidiary bears the cost of providing plan benefits, is significantly involved	None.	None.	Not generally, 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
	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. Taxable amount is fair market value of the shares on the tax event. Tax on sale.	and deduction rules for Japanese companies arguably provide more support for corporate deduction with a reimbursement agreement. No deduction allowed for benefits granted to officers or directors of the subsidiary.	and delivers shares to employees. Due to recent audit activity, issues of withholding should be revisited on a regular basis. Japanese companies that are at least 50% owned by offshore companies and Japanese branches of offshore companies will need to report income employees earn from equity awards. **Social Insurance Contributions:** Generally, no.				
Korea SOP	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.	**Income Tax:** Generally no, provided subsidiary does not reimburse parent. Tax authorities are actively auditing to collect unpaid tax on equity awards. **Social Insurance Contributions:** Yes. Employer technically required to withhold employee contributions.	No, employee exemption applies.	Remittance of funds to purchase shares must be "confirmed" by a Korean foreign exchange bank if funds wired abroad. Minor employee reporting requirements apply. Repatriation of sale proceeds/dividends in excess of certain amount required.	Written disclaimer should be included in grant documents to reduce risk of entitlement. Likely that the equity income 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.
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.	**Income Tax:** Generally no, provided subsidiary does not reimburse parent. Tax authorities are actively auditing to collect unpaid tax on	No, employee exemption applies.	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,	Written disclaimer should be included in grant documents to reduce risk of entitlement. Likely that the equity income 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

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			equity awards. **Social Insurance Contributions:** Yes. Employer technically required to withhold employee contributions.		the local entity must report the intercompany offset to the foreign exchange bank at the time of offset. Contact Baker & McKenzie for details. Minor employee reporting requirements apply. Repatriation of sale proceeds/dividends in excess of certain amount required.		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.	**Income Tax:** Generally no, provided sub does not reimburse parent. Tax authorities are actively auditing to collect unpaid tax on equity awards. **Social Insurance Contributions:** Yes. Employer technically required to withhold employee contributions.	No, employee exemption applies.	Minor employee reporting requirements apply. Repatriation of sale proceeds/dividends in excess of certain amount required.	Written disclaimer should be included in grant documents to reduce risk of entitlement. Likely that the equity income 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.
Malaysia SOP	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 due only at exercise. No tax on sale unless employee is in business of buying and	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	**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 account or monthly	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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	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. 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).	directors.	income threshold not exceeded. **Social Insurance Contributions:** Generally, no.				
Malaysia **ESPP**	Tax on the discount at purchase. No tax on sale unless employee is in business of buying and selling securities.	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 account or monthly income threshold not exceeded. **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 MYR 2,000 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.	Generally yes, if subsidiary reimburses parent for costs associated with plan. However,	**Income Tax:** Subsidiary required to notify Inland Revenue Board of each grant.	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	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

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	No tax on sale unless employee is in business of buying and selling securities and the gains are remitted to Malaysia. *The right to elect tax under the old rules for options granted prior to January 1, 2006 would likely also apply to RS/RSUs granted prior to January 1, 2006 (*i.e.*, employees may elect to be taxed on fair market value at grant, but tax due at vesting).	such deduction is not available for newly issued shares. Written agreement recommended. Subsidiary may not reimburse for costs allocated to awards made to directors.	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 account or monthly income threshold not exceeded. **Social Insurance Contributions:** Generally, no.	distributed to employees in Malaysia.			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 **SOP**	Tax on spread at exercise regardless of whether reimbursement is made by subsidiary to the parent. 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 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.
Mexico **ESPP**	Tax on discount at purchase regardless of whether reimbursement is made by subsidiary to the parent. 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	None.	None. Payroll deduction is limited to an amount not to exceed a percentage of the minimum wage.	Possible plan entitlement issues, especially if subsidiary reimburses parent and/or ESPP offered 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

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			reimbursement is made; however, it is likely the social insurance ceiling will have already been met.				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. Likely 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.
Morocco SOP	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	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.

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					repatriated to Morocco within 30 days. Subsidiary must report repatriation to OdC on an annual and semi annual basis.		
Morocco ESPP	N/A (see "Exchange Controls" section).	N/A (see "Exchange Controls" section). Prior approval of the exchange control authorities is required for reimbursement payments.	N/A (see "Exchange Controls" section).	None, provided the underlying shares are not traded on the Moroccan Securities Exchange.	Companies likely are not able to offer ESPP to employees of Moroccan subsidiaries due to restrictions of the Office des Changes.	N/A (see "Exchange Controls" section) Written disclaimer recommended to reduce risk of plan entitlement.	N/A (see "Exchange Controls" section) 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 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.	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.

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					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.		
Netherlands SOP	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).	No, the availability of a corporate tax deduction for stock-based compensation was eliminated effective January 1, 2007.	**Income Tax:** Yes. **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.	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 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 implementing this Directive, which may have an impact on design of equity 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	Data transfer in connection with plan administration generally permitted provided certain conditions are met. Data privacy registration requirements generally apply.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
						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).	No, the availability of a corporate tax deduction for stock-based compensation was eliminated effective January 1, 2007.	**Income Tax:** Yes. **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.	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 Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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. As of January 1, 2012, 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.	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 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.
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, the availability of a corporate tax deduction for stock-based compensation was eliminated	**Income Tax:** Yes.	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	None.	Possible plan entitlement issues. Employee should be required to sign/accept an agreement acknowledging the	Data transfer in connection with plan administration generally permitted provided certain conditions are met.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	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).	effective January 1, 2007.	**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.	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 Netherlands. However, non-transferable free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.		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 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 privacy registration requirements generally apply.
New Zealand SOP	Tax on spread at exercise. Generally, no tax on sale provided shares are not sold immediately after acquisition.	Allowed if subsidiary reimburses parent under a written reimbursement agreement approved by shareholder(s) of subsidiary and documented.	**Income Tax:** No. **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).	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
				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. 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 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	Allowed if subsidiary reimburses parent under a written reimbursement	**Income Tax:** No. **Social Insurance**	Yes, but an exemption from the prospectus disclosure requirement should apply. The employee share scheme	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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	are not sold immediately after acquisition.	agreement approved by shareholder(s) of subsidiary and documented.	**Contributions:** No.	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). 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 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. <u>Note</u>: 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.			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
				*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.	Allowed if subsidiary reimburses parent under a written reimbursement agreement approved by shareholder(s) of subsidiary and documented.	**Income Tax:** No. **Social Insurance Contributions:** No.	For grants prior to December 1, 2016, likely none, assuming there is no purchase price (even a de minimis price). For grants on or after December 1, 2016, securities laws likely apply, but an exemption from the prospectus requirement should apply. 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 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.	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.
Norway SOP	Tax on spread at exercise. Spread realized at exercise	Probably allowed if subsidiary reimburses parent,	**Income Tax:** Yes, withholding at	The EU Prospectus Directive took full effect on July 1, 2005 and impacts securities filing requirements in all EU	Generally, no.	Possible plan entitlement issues. Statement regarding discretionary	Written consent from employees for the collection, use

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	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 options, are subject to annual wealth tax.	especially if treasury shares are issued. Written reimbursement agreement advisable.	exercise. Reporting at exercise. Taxable amount to be reported in the "a-meldingen" which is generally submitted electronically at least once a month or before the 5th of the month following the month of the applicable taxable event. Social Insurance Contributions: Yes. Employer and employee contributions are due. Employer must withhold employee's contributions.	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 Norway. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive.		nature of the plan should be signed by employees. Discrimination against part-time employees is generally prohibited.	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.
Norway ESPP	Tax on discount at purchase. Modest reduction of tax may apply if grants made to all employees. Tax on sale. Shares, and possibly ESPP rights, 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 at purchase. Reporting at purchase. Taxable amount to be reported in the "a-meldingen" which is generally submitted electronically at least once a month or before the 5th of the month following the month of the applicable taxable event. 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. 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 Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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.	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.	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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
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, and possibly 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 at vesting. Reporting at grant (restricted stock) and vesting restricted stock units. Taxable amount to be reported in the "a-meldingen" which is generally submitted electronically at least once a month or before the 5th of the month following the month of the applicable taxable event. **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. 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 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.	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.
Peru SOP	No tax at exercise, if subsidiary does not reimburse parent for the spread. If local entity is a branch or representative office of the parent, tax at exercise regardless of reimbursement. Tax on sale. If no reimbursement by subsidiary, taxable gain equals sales price minus exercise price. If reimbursement or if branch or representative office of the parent, taxable gain equals sale price minus tax basis in the	Yes, if subsidiary reimburses parent. Written reimbursement agreement and other documents recommended. Triggers additional employee tax and withholding and reporting obligations.	**Income Tax:** No, if subsidiary does not reimburse parent and not branch or representative office of parent. **Social Insurance Contribution:** No, if no 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	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 details.	None.	Written disclaimer recommended to reduce 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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	shares (generally, fair market value of shares at exercise).		more consecutive years, employer social insurance contributions and possibly employee national pension contributions may apply.				
Peru ESPP	No tax at purchase, if subsidiary does not reimburse parent for the discount. If local entity is a branch or representative office of the parent, tax at purchase regardless of reimbursement. Tax on sale. If no reimbursement by subsidiary, taxable gain equals sales price minus purchase price. If reimbursement or if branch or representative office of the parent, taxable gain equals sale price minus tax basis in the shares (generally, fair market value of shares at purchase).	Yes, if subsidiary reimburses parent. Written reimbursement agreement and other documents recommended. Triggers additional employee tax and withholding and reporting obligations.	**Income Tax:** No, if subsidiary does not reimburse parent and not branch or representative office of parent. **Social Insurance Contribution:** 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 details.	None.	Written disclaimer recommended to reduce 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.
Peru RS/RSU	No tax at grant or vesting, if subsidiary does not reimburse parent for shares. If local entity is a branch or representative office of the parent, tax at grant (RS)/vesting (RSU) regardless of	Yes, if subsidiary reimburses parent. Written reimbursement agreement and other documents recommended. Triggers additional employee tax and withholding and	**Income Tax:** No, if subsidiary does not reimburse parent and not branch or representative office of parent. **Social Insurance Contribution:**	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 details.	None.	Written disclaimer recommended to reduce 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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	reimbursement. Tax on sale. If no reimbursement by subsidiary, taxable gain equals sales price, since seller will have no tax basis. If reimbursement or if branch or representative office of the parent, taxable gain equals sale price minus tax basis in the shares (generally, fair market value of shares at grant (RS)/vesting (RSU)).	reporting obligations.	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.				
Philippines SOP	Tax on spread at exercise. 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.	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, notice of exemption may be filed (but has to be filed for each grant).	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.
Philippines ESPP	Tax on discount at purchase. If subsidiary reimburses parent for the discount, fringe benefit tax payable by employer will apply	Probably allowed if subsidiary reimburses parent under a written reimbursement agreement and required withholdings are	**Income Tax:** Likely no, unless subsidiary reimburses parent and/or the award is a part of the local compensation	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, notice of exemption may be filed (but has to be filed for each grant).	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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	(instead of income tax payable by employee) for non-rank-and-file employees. Tax on sale.	made. Triggers tax withholding and social insurance contributions, as well as employer-paid fringe benefit tax for non-rank-and-file employees.	arrangement. **Social Insurance Contributions:** Likely no, unless subsidiary reimburses parent and/or the award is a part of the local compensation arrangement.				
Philippines **RS/RSU**	Tax at vesting for RS/RSUs, although small risk of tax at grant for RS. 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 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, notice of exemption may be filed (but has to be filed for each grant). Cash-settled RSUs avoid filing requirements.	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.
Poland **SOP**	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	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, if the local subsidiary reimburses the parent. **Social Insurance Contributions:** No, unless the income realized is	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.	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 plans in the EU,	Under Polish Personal Data Protection Act, the employee's written consent is necessary for the collection, use and transfer of personal data.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	in double taxation of the spread.		considered to arise from the employment relationship and possibly, if the local subsidiary reimburses the parent.	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.		particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
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, 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, 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 Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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. Poland-specific passporting requirements apply. In addition, Polish law requires that an annual report of total purchases/shares issued in Poland under an approved prospectus or in reliance on certain exemptions/exclusions (as well as a fee) be submitted to the Polish securities regulator.	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. 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 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. [see above]
Poland RS/RSU	Likely tax at vesting on fair market value of the shares. Effective January 1, 2011, a tax deferral	Likely allowed if subsidiary reimburses parent pursuant to a written reimbursement	**Income Tax:** No, unless the income realized is considered to arise from the employment	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	Minor employee reporting requirements apply.	No, provided right to terminate plan is reserved in writing Discrimination against part-time employees is	Under Polish Personal Data Protection Act, the employee's written consent is necessary for the

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	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.	agreement, but this may cause income to be considered as arising from employment relationship triggering tax withholding and social insurance obligations.	relationship and possibly, 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, if the local subsidiary reimburses the parent.	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.		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 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.	collection, use and transfer of personal data. [see above]
Portugal SOP	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. However, non-transferable stock options are not considered "transferable securities" subject to the EU Prospectus Directive and do	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 plans in the EU, particularly on age or age and service provisions which give different treatment (*e.g.*,	If the employing entity is located in Portugal, written consent from the employee and authorization from the Comissão Nacional de Protecção de Dados are required before transmitting employee data abroad.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
				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.		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. The EU Prospectus Directive has been fully implemented in Portugal. However, non-transferable purchase 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.	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 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, written consent from the employee and authorization from the Comissão Nacional de Protecção de Dados are required before transmitting employee data abroad.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
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 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, written consent from the employee and authorization from the Comissão Nacional de Protecção de Dados are required before transmitting employee data abroad.
Russia SOP	Under current law, tax may be due at grant on option value and at exercise on 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 if proper structuring of the recharge arrangement. However, this would trigger withholding and reporting obligations and possibly social insurance obligations.	**Income Tax and Social Insurance Contribution** 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 of 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.	Not certain if shares or payments pursuant to equity awards have to be paid into Russian bank account. Contact Baker & McKenzie for details. If shares issued or payments made, other than dividends, into non-Russian account, employees must immediately repatriate funds realized from the option to Russia.	None, provided that the grant is structured to be outside the employment relationship.	Employee's written consent to the transfer of personal data should be obtained. As of September 1, 2015, new data privacy law requires 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 ESPP	Under current law, tax may be due at grant on value of purchase right and at the purchase on discount. A private	Possibly available, subject to proper structuring of the recharge arrangement. How ever, this would	**Income Tax and Social Insurance Contribution** Withholding and reporting and social	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 should fall outside such	Certain requirements apply to local subsidiary when remitting funds out of Russia, which vary depending on whether	None, provided that the ESPP offer is structured to be outside the employment relationship.	Employee's written consent to the transfer of personal data should be obtained. As of September 1, 2015,

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	ruling of the Federal Tax Service indicates that no taxation should apply on the grant. Tax at sale of shares.	trigger withholding and reporting obligations and possibly social insurance obligations.	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.	requirements if steps are taken to ensure the offer takes place outside of 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.	funds are remitted by wire transfer or intercompany transfer. Not certain if shares or payments pursuant to equity awards have to be paid into Russian bank account. Contact Baker & McKenzie for details. If shares issued or payment, other than dividends, made into non-Russian account, employees must immediately repatriate funds realized from the option to Russia.		new data privacy law requires 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. Cash-settled RSUs may be characterized as an option and subject to tax at grant and vesting. RSU: Tax at vesting on fair market value of shares. Cash-settled RSUs may be characterized as an option and subject to tax at grant and vesting. Tax at sale of shares.	Possibly available if proper structuring of the recharge arrangement. How ever, this would trigger withholding and reporting obligations and possibly social insurance obligations.	**Income Tax and Social Insurance Contribution** Withholding and reporting and social insurance contributions should not apply provided the award is structured to be outside the employment relationship, and costs are not charged to the local subsidiary.	There is some risk that RS/RSUs may be subject to securities registration requirements; however, based on informal guidance from the securities regulator, 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 of 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.	Not certain if shares or payments pursuant to equity awards have to be paid into Russian bank account. Contact Baker & McKenzie for details. If shares issued or payment, other than dividends, made into non-Russian account, employees must immediately repatriate funds realized from the option to Russia.	None, provided that the award is structured to be outside the employment relationship.	Employee's written consent to the transfer of personal data should be obtained. As of September 1, 2015, new data privacy law requires 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 SOP	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	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.	None.	Generally no, provided awards are not part of 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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
			purposes.	Contact Baker & McKenzie for more details.			
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 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 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 Baker & McKenzie for more details.	None	Generally no, provided awards are not part of 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 **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/RSU. 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 part of 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.
Singapore **SOP**	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	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 required.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	ceasing employment or leaving Singapore may be deemed to have 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 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 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 required.
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	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	**Income Tax:** Generally no withholding (except for certain expatriates ceasing employment and/or leaving Singapore based on deemed equity income). Reporting requirements apply.	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 required.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	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 vested in RS/RSUs and be subject to taxation upon termination/leaving Singapore.	treasury shares minus any amount paid for the shares by the employee.	**Social Insurance Contributions:** Generally, no.				
Slovak Republic **SOP**	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 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	Yes, if reimbursement made by subsidiary to the parent. Written reimbursement agreement may be required.	**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. 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.	Employee reporting obligations may apply.	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 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 recommended. 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
	a possible exemption. Some risk of double taxation.						
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 may be required.	**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 Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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.	Employee reporting obligations may apply.	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 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 recommended. 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 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 may be required.	**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	Employee reporting obligations may apply.	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 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 recommended. 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

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
				free offers of RS/RSUs are not considered "transferable securities" subject to the EU Prospectus Directive.			ruling from the Data Protection Office prior to the implementation of the plan to clarify whether consent required.
South Africa SOP	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 employees sign certain disclaimer language. 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 event. An exemption may apply for certain	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 filing is available, provided certain requirements are met, including	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 discretionary allowance and an additional	Generally not, if employees sign certain disclaimer language. 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
			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.	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.	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 employees sign certain disclaimer language. 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
Spain SOP	Tax on spread at exercise. Exemption may apply to 30% of taxable income from stock options provided certain requirements are met, €12,000 exemption for income tax may apply to stock options if shares are held for at least three years after the exercise 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 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 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 stock options 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 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 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 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.	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.
Spain ESPP	Tax on discount at purchase. €12,000 exemption for income tax may apply	May be possible if reimbursement made by subsidiary to the parent. Written	**Income Tax:** Yes, payment-on-account required, unless exemption	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.	Employee reporting requirements apply.	Written disclaimer recommended acknowledging voluntary nature of plan and that employee has received	Local subsidiary must file a notification with the Spanish Data Protection Agency to

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	to ESPP if shares are held for at least three years after the purchase date and certain other requirements are met. Tax on sale.	reimbursement agreement advisable.	applies. **Social Insurance Contributions:** Yes, employee and employer contributions due unless monthly ceiling has already been met. Employer has to withhold employee's contributions.	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 Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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.		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. 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 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.	maintain an automated database. Written consent from employees for the transfer of data abroad to the parent or a third party administrator is recommended.
Spain RS/RSU	Tax at vesting. Taxable amount is fair market value of the shares. €12,000 exemption for income tax may apply to RS/RSUs if shares are held for at least	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 if stock-settled.	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	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	Local subsidiary must file a notification with the Spanish Data Protection Agency to maintain an automated database. Written

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	three years after vesting and certain other requirements are met. Tax on sale.		**Social Insurance Contributions:** Yes, employee and employer contributions due unless monthly ceiling has already been met. Employer has to withhold employee's contributions.	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.		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 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 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.	consent from employees for the transfer of data abroad to the parent or a third party administrator is recommended.
Sweden SOP	Tax on spread at exercise. 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	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 who transfer into Sweden with option grants.	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.		Directive, which may have an impact on design of equity 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 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 insurance contributions (uncapped). No social insurance contributions are payable by the employee. Special rules apply to employees who transfer into Sweden with ESPP purchase rights.	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 Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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.	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 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 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	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.	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	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
			(uncapped). No social insurance contributions are payable by the employee.	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.		adopted local rules implementing this Directive, which may have an impact on design of equity 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.	
Switzerland SOP	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. **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 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.	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 **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 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 of RS/RSUs and vesting of RSU. 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.
Taiwan **SOP**	Tax on spread at exercise. 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.	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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
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.
Thailand SOP	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	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	**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 US$1 million per year to purchase securities in foreign companies.	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
	calendar year as the sale (which may be required by exchange control regulations) and the employee is a Thai tax resident for that year.	reimbursement agreement advisable.			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.		
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 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 each ESPP purchase period. Contact Baker & McKenzie for 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 US$1 million per year to purchase securities in foreign companies. Application to a commercial bank/authorized agent is required prior to the remittance of payroll deductions under an ESPP. 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 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.	Allowed up to a certain monetary threshold if subsidiary reimburses parent, board of directors of subsidiary approves reimbursement and subsidiary complies with	**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.

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
	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.	exchange control requirements. Written reimbursement agreement advisable.					
Turkey SOP	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.	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.	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.
Turkey RS/RSU	Tax treatment is unclear under Turkish law. Likely, no tax on grant or vesting provided the	Yes if subsidiary reimburses parent under a written reimbursement agreement.	**Income Tax:** No if subsidiary does not reimburse parent. **Social Insurance**	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	The sale or resale of shares traded on exchanges outside of Turkey by Turkish residents must be conducted through an	Provided the grant of RS/RSUs is based on objective criteria (i.e., performance or job category) and there is no reimbursement by	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
	subsidiary does not reimburse the parent and take a tax deduction. Income tax on sale if no reimbursement by subsidiary/local deduction.		**Contribution:** No if subsidiary does not reimburse parent.	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.	intermediary institution licensed in Turkey.	subsidiary/local deduction, the benefits should not be considered part of an employee's salary. Written disclaimer recommended to reduce risk of plan entitlement.	
Ukraine **SOP**	N/A (see "Exchange Controls" section). Otherwise, likely tax on spread at exercise calculated based on fair market value of shares 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 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.	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 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
Ukraine **ESPP**	N/A (see "Exchange Controls" section). Otherwise, likely tax on the 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 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	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.
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	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	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	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. **Social Insurance Contribution:** N/A (see "Exchange Controls" section). Otherwise, no social insurance contributions 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	transactions related to the transfer of title to the securities would be deemed concluded (or offered to be concluded) in the territory of Ukraine.	"placement of currency values abroad" prior to such placement. [Contact Baker & McKenzie for details.]		
United Arab Emirates **SOP**	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 **ESPP**	No income tax applies. Social insurance likely does not apply.	In most cases, no income tax applies to subsidiary. Therefore, a	**Income Tax:** N/A	Generally, none. However, if the company is incorporated or registered in the	None.	Generally no; however, plan documentation should state that the grant is a "one time" or	Generally no; however, data protection laws apply to entities

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
		subsidiary tax deduction is generally not applicable.	**Social Insurance Contribution:** Withholding and reporting likely not required.	Dubai International Financial Centre, certain restrictions apply.		irregular benefit extended to the employee.	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 Kingdom **SOP**	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. Annual share schemes return due by July 6th after the end of each UK tax year. No withholding obligation at taxable event for privately held companies where shares not considered "readily convertible assets."	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 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
			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). [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 **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	**Income Tax:** Required to report grant and taxable event. Companies must register employee share plans with HMRC. Withholding required. Annual share schemes return due by July 6th after the end of each UK tax year.	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	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 plans in the EU,	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
		UK subsidiary may be deducted only if a written reimbursement agreement has been executed.	No withholding obligation at taxable event for privately held companies where shares not considered "readily convertible assets." 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). 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."	Parliament approved changes to the EU Prospectus Directive which may eventually eliminate the need to file a prospectus for U.S. listed companies. 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.		particularly on age or age and service provisions which give different treatment (*e.g.*, accelerated or continued vesting) for those meeting the criteria.	
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.	Generally allowed without reimbursement by the subsidiary to the parent. Legislation affecting	Income Tax: Required to report grant and taxable event. Companies must register employee share	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.	Generally no, if right to terminate plan is reserved in writing. Discrimination against part-time employees is generally prohibited.	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
	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.	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.	plans with HMRC. Withholding required. Annual share schemes return due by July 6th after the end of each UK tax year. No withholding obligation at taxable event for privately held companies where shares not considered "readily convertible assets." **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). [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."	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.		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 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.	

Country	Taxation of Employee	Sub Deduction	Withholding and Reporting	Securities Restrictions	Exchange Controls	Plan Entitlement	Data Privacy
United States SOP	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	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:	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
	more than 1 year.		Yes, employer pays its share and 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.
Vietnam **SOP**	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	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.)	Approval of the State Bank of Vietnam ("SBV") is required. The SBV will likely restrict exercise to the cashless sell-all exercise method. Repatriation of proceeds in connection with the award 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.

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			components is unclear. **Social Insurance Contribution:** No.		Ongoing reporting required.		
Vietnam ESPP	N/A (see "Exchange Controls" section). Otherwise, tax at sale.	No.	**Income Tax:** N/A (see "Exchange Controls" section). Otherwise, income tax withholding would be required. **Social Insurance Contribution:** N/A (see "Exchange Controls" column). Otherwise, 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.	Current policy of the State Bank of Vietnam ("SBV"), restricts the ability to remit foreign currency to buy shares without prior SBV approval. So far, the SBV has not issued an approval for the implementation of a foreign company ESPP. Under government decree, the SBV is to issue regulations regarding overseas investment. However, regulations have not yet been issued.	N/A	N/A
Vietnam RS/RSU	Tax on the gain at vest/sale. If RS/RSUs are settled in cash, tax at payment. Cash payment will be treated as bonus which is taxed as employment income.	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.	State Bank of Vietnam ("SBV") approval is required. SBV will likely require that shares acquired at vesting of RS/RSUs be subject to an immediate forced sale restriction. SBV previously ruled that RSUs which can be settled only in cash fall outside of SBV authority, but the ruling cannot be relied on by other companies. Repatriation of proceeds in connection with the award 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.

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					Ongoing reporting required.		