

# Netherlands - Tax Guide

## Employee Share Purchase Plan

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### 1. Introduction

The following is a summary of the tax treatment of an award made to you by Seagate Technology Holdings PLC under the Employee Share Purchase Plan (the "Plan"). This summary assumes that you have been resident in the Netherlands during the lifecycle of the award.

The tax treatment as explained herein is intended as a guide only. It is limited to a general description of the national tax laws, and is not intended to address city, regional, or other local tax laws that may be applicable to you. It may not apply to your particular tax or financial situation, and we are not in a position to assure you of any particular tax result. Therefore, we recommend that you consult with your own independent tax advisor regularly to determine the consequences of taking or not taking any action concerning your shares, and to determine how the tax or other laws in the Netherlands apply to your specific situation. This information was last reviewed in January, 2026.

### 2. Overview

#### Award

- It allows you to purchase Seagate Technology Holdings PLC shares at a discount.
- You are **not subject to taxation on equity** at this point.

#### Purchase

- You will **be subject to tax** at this point.
- The taxable amount is calculated based upon the market value of the shares at the date of purchase less the price paid for the shares.
- **Seagate Technology Holdings PLC is responsible for reporting the income.**
- You are also **responsible for reporting the income.**

#### Sale

- The date you sell Seagate Technology Holdings PLC shares.
- You are **not subject to taxation on equity** at this point.

### 3. Tax Treatment

	Award	Purchase	Sale
Action required	No action required.	Pay any taxes due. Report the income on tax return.	No action required.
Income tax / Capital gains tax	No	Income tax payable at rates up to 56.01%.	No

<b>Employee social tax</b>	No	Yes Flat rate of 27.65% capped at earnings of EUR 38,883 of income per year.	No
<b>Employer's social tax</b>	No	Yes Flat rate of 22.36% capped at earnings of EUR 79,409 per year.	No
<b>Income tax withholding</b>	No	Yes	No
<b>Employee social tax withholding</b>	No	Yes	No
<b>Employee tax reporting</b>	No	Yes	No
<b>Employer tax reporting</b>	No	Yes	No
<b>Tax return deadline</b>	By May 1 of the following tax year		
<b>What documents do I need for my taxes</b>	N/A	N/A	N/A
<b>Foreign asset reporting</b>	You should report any foreign assets to the Tax Authorities (on Form Annual Income Tax Return) by May 1.		

**Income tax** - The rates set out in this guide are marginal rates. In the event that you are required to pay income tax on the value of your award, the amount of income tax you pay will depend on your marginal tax rate. Generally, the more you earn, the higher your marginal income tax rate.

#### 4. Will I pay tax when I am granted an award under the ESPP?

You will not have to pay any tax when you are granted a right to acquire shares under the ESPP.

#### 5. Will I pay tax when I receive my shares?

##### Income Taxes

When the shares are purchased, you will be required to pay income tax on the difference between the purchase price and the market value of the shares at that time at rates of up to 56.01%.

##### Social Taxes

For earnings up to EUR 38,883 per year, you will be required to pay social taxes on the difference between the purchase price and the market value of the shares on purchase at a rate of 27.65%.

##### Payment Method

Seagate Technology Holdings PLC will deduct and withhold tax on your behalf.

Any variance between the amount of tax withheld and your actual tax liability will be your responsibility.

#### 6. How will any benefits under the ESPP be reported?

You will need to report:

- Any income tax due on purchase of the shares to the tax authorities in the annual tax return, due by May 1. You are required to report all worldwide income which, under certain circumstances, may include capital gains and dividends, in their income tax return (Box 1, 2 and 3 income). Withheld income tax by the employer (i.e. Box 1) can be credited against income tax payable by you. Your social taxes are part of the progressive tax brackets of Box 1 tax and therefore no separate filing is required.

#### 7. Will I have to pay any tax on any dividends paid on the shares?

There will be no tax payable on any dividends you receive.

#### 8. Will I pay any tax when I sell my shares?

You will not have to pay any tax on the sale of the shares.

### 9. Additional Information

##### **Social taxes**

There are two types of social security contributions in the Netherlands: national insurances (for instance for state pensions) and employee insurances which insure employees against the loss of income if they become unemployed, disabled or ill.

Employee insurance contributions are withheld with the wage tax and paid by the employer, on behalf of the employee. Contributions with respect to the employee insurances are borne and paid by the employer. Employers are not allowed to deduct these contributions from employee's wages.

### Employee social taxes

National insurance premium contributions are levied at 27.65% and are withheld at the same time as wage tax (therefore, no additional withholdings for national insurance premiums are required on top of the applicable income tax rate). The national insurance premiums are incorporated in the lowest income tax bracket (up to EUR 38,883 in 2026), leading to a total combined wage tax and national insurance contribution withholding rate of 35.75% for income up to EUR 38,883 (comprising 8.10% wage tax and 27.65% national insurance contributions).

In addition, every employee is required to have a health insurance policy and to pay a nominal premium to their insurance company.

### Employer social taxes

The percentage of social taxes due by the employer depends on a number of factors, such as industry, sector, etc., varying from 16.01% to 22.36% (excluding the sector premium rates). The average percentage payable by Dutch employers is approximately 19% however the rate displayed in this summary is the maximum rate excluding the sector premium rates. The following is a breakdown of employer social taxes payable:

- **Occupational disability insurance (WIA):** the premium payable by the employer depends on the size of the employer (calculated on the basis of the wages paid by the employer). Small sized companies pay a premium of 6.26%, while medium sized and large-sized employers a premium of 7.61%. The employer also pays a sector premium, depending on the type of industry in which it operates (most sector premium rates lie well below 3%);
- **Unemployment premium (AWF):** at the rate of 2.74% for all employees with an indefinite period of time contract and fixed working hours; and 7.74% for flexible contracts;
- **Childcare allowance contribution (WKO):** the employer pays a premium of 0.5%
- **Healthcare Insurance premium (ZVW):** generally, the employer pays a premium of 6.51%.

Employer social taxes are capped at an employee's annual earnings of EUR 79,409 in 2026.

### Net capital assets tax

Actual income from foreign shares (where the employee owns less than 5% of the company's outstanding share interests), such as dividends and capital gains is not in principle taxed in Box 3. However, assets such as shares and cash would be considered net wealth subject to taxation in Box 3 where the value of the net assets in any fiscal year exceeds EUR 59,357 for an individual.

A foreign shareholding of less than 5% (i.e., less than 5% of a class of shares in the company) is considered an asset for personal income tax purposes and, as indicated, may be subject to taxation in Box 3 (income from savings and investments). Notional income from net assets is generally taxed in Box 3 at a flat rate of 36%. Dividend income received from a foreign shareholding included as an asset in Box 3 is not directly subject to tax in the Netherlands due to the notional income regime in Box 3. It is expected that, as of January 1, 2028, a new Box 3 regime will be introduced which will solely tax the actual income derived from assets included in the taxable base of Box 3. Taxes withheld on dividends could in principle be credited against Dutch income tax due.

### Income taxes

The taxable benefit of equity compensation is taxed in Box 1 at progressive rates up to 49.50% for income over EUR 78,426. There are effectively three brackets: the first at 35.75%, which includes national/employee social security for income through EUR 38,883 per year, the second at 37.56% for income between EUR 38,883 and EUR 78,426 per year and the third at 49.50% that applies for income above EUR 78,426 per year.

### Special rate

In certain cases, an additional surcharge could apply. For example, a 'special rate' is to be applied on any additional payment (e.g. holiday pay, bonus and stock-based compensation). This is not an explicit rate in a table but a combination of the ordinary income tax withholding rates and an additional uplift percentage because of a reduction of the individual tax discount. The 'special rate' percentage that should be applied, will depend on the employee's previous year's gross income. The resulting maximum withholding rate on additional payments is 56.01% (49.5% + 6.51%). This percentage applies to earnings between EUR 78,426 and EUR 143,555 per year for employees under the retirement age. For annual income over EUR 143,555 there is no surcharge and the standard rate of 49.50% applies.

### Capital gains tax

Capital gains are generally exempt from tax in the Netherlands unless they arise from the sale of business assets (business profits

are treated as income) in Box 1 or from the sale of a substantial interest (more than 5% of a class of share in the company) in a company (Box 2, taxed at 24.5% for annual earnings up to EUR 68,843 and at 31% for annual earnings above EUR 68,843).

Although there is no capital gains tax per se, the shares may be treated as savings and investment income and be taxed in Box 3.

A foreign shareholding of less than 5% (i.e., less than 5% of a class of shares in the company) is considered an asset for personal income tax purposes and may be subject to taxation in Box 3 (income from savings and investments) where the value of the net assets in any fiscal year exceeds EUR 59,357 for an individual. Notional income from net assets is generally taxed in Box 3 at a flat rate of 36%.

### **Sale restriction**

If a sale restriction is attached to the shares acquired upon purchase and the awards (i.e., ESPP purchase rights) are not otherwise treated as stock options under local law, the point of taxation remains the date of purchase. However, the restrictions on sale (i.e., the lock-up) may impact the basis for calculating the income tax and social security (if applicable) at the time taxation. Subject to certain conditions being met, a discount on the unrestricted fair market value of listed shares subject to a restriction or lock-up period can be applied for the purposes of calculating the taxable amount. The discount may be calculated on the following basis.

#### **Restriction / Lock-up Period    Cumulative discount (%)**

1 year	5.5
2 years	10
3 years	13.5
4 years	16
5 years	18.5

The conditions that are required to be satisfied are:

- the employee cannot have the ability to sell the shares and rights cannot be granted over the shares during the restriction / lock-up period; and
- the shares are listed.

### **30% tax ruling for employees coming to work in the Netherlands**

The “30% ruling” for highly skilled employees hired to work in the Netherlands allows employers to pay a percentage of the incoming employee’s salary as a tax-free allowance for a maximum five year period. To be eligible to use the “30% ruling”, incoming employees must possess specific expertise that is not or is only rarely available in the Dutch labour market. Employees are considered to have the requisite specific expertise if their salary in the Netherlands (not including the tax-free amount) exceeds a minimum salary threshold.

Prior to January 1, 2024, eligible employees may have received a maximum of 30% of their gross salary tax-free. In 2024, the “30% ruling” was scaled back so that, effective January 1, 2024, certain incoming employees may receive a maximum 30% of their gross salary tax free (up to a maximum annual amount, known as the “WNT-norm”) for the first 20 months, reducing to 20% in the following 20 months and then 10% of subsequent 20 months. For employees using the 30% ruling on or before December 31, 2022, the ‘capping’ of the tax-free amount only comes in effect from January 1, 2026.

However, as part of the measures introduced by the 2025 Budget, a number of these changes have been reversed, and, instead, the maximum flat tax-free percentage for both incoming and seconded employees will be reduced from 30% to 27% (up to the WNT norm for the relevant year) with effect from January 1, 2027. The flat tax-free percentage (up to the WNT-norm for the relevant year) will remain at 30% for 2025 and 2026. The WNT-norm is EUR 246,000 per year in 2025 and EUR 262,000 per year in 2026 (and is pro-rated if the employee arrives in or departs the Netherlands part way through the year). Effective January 1, 2027, the minimum salary threshold will increase from EUR 46,107 to EUR 50,436 (prior to adjustment for inflation). Note that different thresholds apply for employees under 30 years of age with a master’s degree or equivalent. This salary threshold will also be increased as of 1 January 2027, from EUR 35,048 to EUR 38,388.

Transitional rules apply for employees who were using the “30% ruling” prior to January 1, 2025 as set out in the dot points below:

- *Incoming employees using the 30% ruling on or before December 31, 2023:* Eligible employees using the 30% ruling on or before December 31, 2023 retain the right to receive 30% of their gross salary tax-free, and for the current minimum salary threshold to apply (after indexation for inflation) for the entire duration of their ruling.
- *Incoming employees using the 30% ruling for the first time in 2024:* Eligible employees using the 30% ruling for the first time in 2024 will receive 27% of their gross salary tax-free effective January 1, 2027 (and 30% in 2025 and 2026). The current minimum salary threshold will apply (after indexation for inflation) for the entire duration of their ruling.

### **Foreign asset reporting**

You are required to report any cash or share accounts held in a foreign institution. The information must be submitted to the Tax

Authorities (on Form Annual Income Tax Return) by May 1.

## 10. Sample tax calculation

This illustrative example assumes the following:

- Purchase price of USD 70.
- An income tax rate of 56.01%.
- This illustration does not take into account any capped social tax amount.
- Tax calculation is based on the currency in which the shares are traded and any subsequent currency conversion has not been applied.

### Tax implications

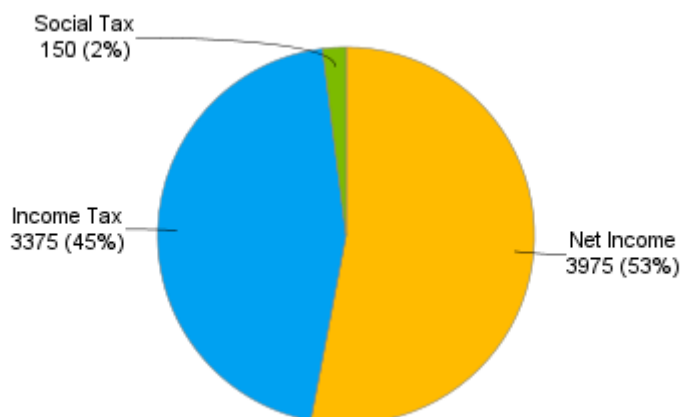
#### Award

No taxes due.

#### Purchase

Number of Shares Purchased	100
Purchase Price	USD 70
Fair Market Value (FMV) of the shares on Purchase	USD 80
Taxable Income (100 x USD 80) - (100 x USD 70)	<b>USD 1,000</b>
<b><u>Income Tax Withheld (USD 1,000 x 56.01%)</u></b>	<b><u>USD 560.10</u></b>
Net Income (USD 1,000 - USD 560.10)	<b>USD 439.90</b>

#### Vesting



#### Sale

No taxes due.

*\* Please note the above is for information purposes only. Transaction fees may also apply and are not included.*

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