Taiwan - Tax Guide

Employee Share Purchase Plan

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 Taiwan 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 Taiwan 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. • This event may generate additional income known as Capital Gain (CG), or a loss. • If there is a **Capital Gain** on the sale of shares, tax is due in the tax year of sale. • You are responsible for calculating the tax and reporting this capital gain.

3. Tax Treatment

	Award	Purchase	Sale
Action required	No action required.	Pay any taxes due. Report the income on tax return.	Pay any taxes due. Report the income on tax return.

Income tax / Capital gains tax	No	Income tax payable at rates up to 40%.	Capital gains tax payable at a flat rate of 20%.
Employee social tax	No	No	No
Employer's social tax	No	No	No
Income tax withholding	No	No	No
Employee tax reporting	No	Yes	Yes
Employer tax reporting	No	Yes	No
Tax return deadline	By May 31 of the following tax year		
What documents do I need for my taxes	N/A	N/A	N/A
Foreign asset reporting	Taiwanese individuals are required to submit a report of their investments regarding holding shares in companies registered in the Mainland Area, Hong Kong and/or Macau within six months after implementation of investment in the case the investment in the Mainland Area is USD 1 million or less and in Hong Kong / Macau is USD 5 million or less. For proposed investments exceeding the above amounts, prior approval from the relevant authority is required.		

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 40%.

Stock-based awards are deemed to be offshore income and are not subject to withholding by the foreign parent company, although the Taiwan subsidiary company will be obligated to file a "non-withholding" statement by January 31 of the year following the purchase, vesting and/or exercise, as applicable.

Social Taxes

You will not be required to pay any social taxes.

Payment Method

The local company will not withhold income tax on the award and it will be your duty to report and pay income tax due under the ESPP in your tax return.

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 31.
- Any capital gains tax due on the sale of shares to the tax authorities in the annual tax return, due by May 31.

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

A dividend is a right to participate in the company's profits, at the discretion of the board of directors.

Any dividends you receive will be taxed at a rate of 20%.

Dividends from foreign shares received by a Taiwanese employee will be considered overseas income, which constitutes a part of such individual's basic income. Generally, a 20% basic income tax will apply to the portion of the basic income exceeding TWD 7.5 million, but local advice is recommended to calculate the exact amount of tax payable.

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

As the calculation of capital gains can be complex and may be subject to certain exemptions, we recommend that you consult your personal financial/tax advisor.

If the sale price of your shares is higher than their cost basis (broadly, the cost basis is equal to the fair market value of the shares at the time of purchase), the difference will be taxable as a capital gain, at a rate of 20%. If the sale price is lower than the cost basis of the shares, you may realize a capital loss.

If the foreign shares are earned for work performed by a Taiwan resident while outside of Taiwan or if a Taiwan resident earns income from abroad such as the sale of overseas shares (i.e., overseas income), to the extent that such Taiwan resident will receive overseas income (including income derived from the sale of such foreign shares) in the amount of NTD 1 million or more, an annual Income Basic Tax return will need to be filed and further calculations should be made to determine whether Income Basic Tax will be owed.

On the other hand, if NTD 1 million threshold is not reached, an annual Income Basic Tax return will not need to be filed due to the sale of such foreign shares, and there will be no assessment of the Income Basic Tax in connection with such sale.

Alternative Minimum Tax

Alternative Minimum Tax (AMT) may be payable on gain arising from the sale of foreign shares at a flat rate of 20%.
If your total foreign income exceeds NTD 1,000,000, any gain from the sale of the shares will be included in your AMT income calculation. If your AMT income is in excess of NTD 7,500,000 and the AMT payable exceeds your income tax liability for the year, you will be required to pay the difference to the tax authorities.

When you sell your shares, the local company will not withhold any taxes on the gains. You should report any gain or loss arising in your tax return for the tax year in which the sale took place.

9. Additional Information

Calculation of the total income tax payable by an individual in a tax year

No social security taxes are directly deductible for the purposes of determining the taxable income received from employee equity awards for income tax purposes. However, when the employee files their annual income tax return, the total amount of national health insurance premiums paid by the employee for the relevant year is fully deductible and labor insurance premiums paid by the employee are deductible up to NTD 24,000 per year for the purposes of calculating the total amount of income tax payable by an individual.

Reporting income received from employee equity awards

For the purposes of reporting income received from employee equity awards granted over shares in a foreign (non-Taiwanese) company, employees are required to convert the income into New Taiwan Dollars using the average of the buying and selling spot market closing rates published by Bank of Taiwan of the day on which the income is received (i.e., the date of the taxable event).

Exchange Control issues

For national resident employees (or foreign resident employees that hold a Taiwan Area Resident Certificate or an Alien Resident Certificate with a validity of one year or more from the date of issuance), if the amount of a single inward remittance is equivalent to TWD 500,000 or more, the employees must submit a Foreign Exchange Transaction Form with the Taiwan Central Bank.

For foreign employees in Taiwan without a Taiwan Area Resident Certificate or a Taiwan Alien Resident Certificate, if the amount of a single inward remittance is equal (or equivalent) to USD 100,000 or more, approval by the Taiwan Central Bank will be required.

For resident national and foreign employees, if the transaction amount is USD 500,000 or more in a single transaction, the Participant must also provide supporting documentation to the satisfaction of the remitting bank.

Also, if the total annual value of foreign exchange purchased or sold in relation to a foreign issuer's shares (e.g., sale proceeds, dividends) by a national resident employee (or foreign resident employee that holds a Taiwan Area Resident Certificate or an Alien Resident Certificate with a validity of one year or more from the date of issuance) exceeds USD 10 million, the participant will need to obtain a permit from the Central Bank of Taiwan for any amounts in excess of this limit.

Foreign asset reporting

Taiwanese individuals are required to submit a report of their investments regarding holding shares in companies registered in the Mainland Area, Hong Kong and/or Macau within six months after implementation of investment in the case the investment in the Mainland Area is USD 1 million or less and in Hong Kong / Macau is USD 5 million or less.

For proposed investments exceeding the above amounts, prior approval from the relevant authority is required.

10. Sample tax calculation

This illustrative example assumes the following:

- Purchase price of USD 70.
- An income tax rate of 40%.
- Capital Gains Tax of 20%.
- This example does not take into account any annual Capital Gains Tax (CGT) exemptions which may be available.

- Tax calculation is based on the currency in which the shares are traded and any subsequent currency conversion has not been applied.

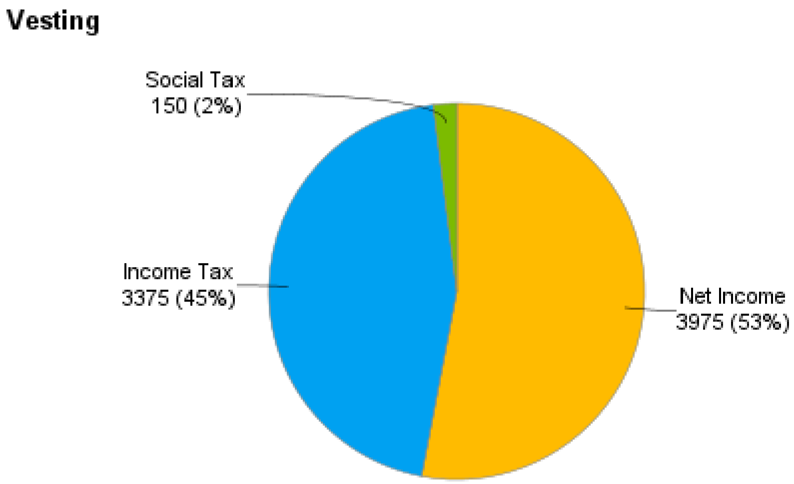
Tax implications

Award

No taxes due.

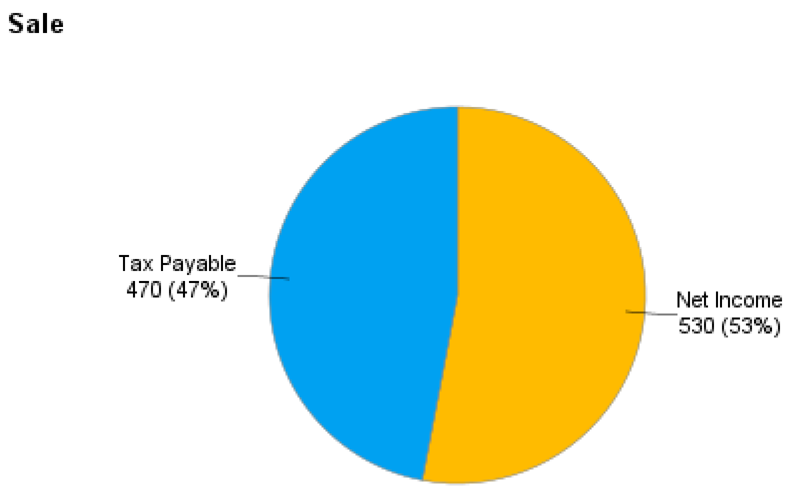
Purchase

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)	**USD 1,000**
Income Tax Payable by you (USD 1,000 x 40%)	**USD 400**
Net Income (USD 1,000 - USD 400)	**USD 600**



Sale

Number of shares sold	100
Fair Market Value (FMV) of the shares on sale	USD 85
Sale Proceeds (100 x USD 85)	USD 8,500
Less: Acquisition Costs	
Amount previously taxed	**USD 8,000**
Capital Gain	USD 500
Tax Payable (USD 500 x 20%)	**USD 100**
Net Income (USD 500 - USD 100)	**USD 400**



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