



AIR LIQUIDE CAPITAL INCREASE RESERVED FOR EMPLOYEES

LOCAL SUPPLEMENT FOR INDIA

Please read this document carefully before deciding to purchase shares under the 2025 Air Liquide Group employee share offering ("myAL myShare 2025"). You will find in this document:

- **In Part A, the general description of myAL myShare 2025, representations, warranties and agreements that you will accept if you participate in myAL myShare 2025 (Part A is a local information document for India that constitutes part of the Plan Rules), and**
- **In Part B, there is tax information for the participants in India.**

This document contains information regarding the employee share plan reserved for the Air Liquide group employees. You are invited to invest in the shares of L'Air Liquide S.A. in this offering ("L'Air Liquide shares"). Below is a summary of the terms of myAL myShare 2025 and specific terms applicable to participating employees in India, including the principal tax and social security consequences. Please note that myAL myShare 2025 is an international employee share plan, subject to the laws and regulations of France.

Please note that the decision to participate in myAL myShare 2025 is yours, considering your situation and any independent advice you may require. Please also note that myAL myShare 2025 and its terms will not form part of your employment relationship with your Employer. Neither your Employer nor L'Air Liquide S.A. will give investment advice concerning myAL myShare 2025. You are encouraged to consult L'Air Liquide S.A.'s Universal Registration Document and any interim financial reports containing important information on its activities, strategy, financial results and specific risks associated with its business and investment in L'Air Liquide shares.

myAL myShare 2025 relies on the exemption from publishing a prospectus provided in Article 1.4(i) of the E.U. Prospectus Regulation (E.U.) 2017/1129, as amended.

Part A - Local offering information of myAL myShare 2025

A. Share Capital increase reserved for Employees

L'Air Liquide shares are expected to be offered to all eligible employees of participating Air Liquide Group companies, pursuant to L'Air Liquide S.A.'s capital increase reserved for such employees. The total capital increase proposed for employees worldwide is mentioned in the subscription form. If the requested shares exceed the proposed capital increase, they may be reduced accordingly. In this event, each participant will be informed. Requests will be honoured in full up to a guaranteed minimum number of shares per participant (equal to the total number of shares offered, divided by the number of participants). Requests above this amount will be honoured in proportion to the total number of shares available and requested.

Eligibility

You are eligible to participate in myAL myShare 2025 if:

- You are employed by L'Air Liquide S.A. or a direct or indirect majority-owned subsidiary of L'Air Liquide S.A. at the end of the subscription period (i.e., on November 13, 2025), and
- Your Employer has adhered to the Air Liquide International Group Share Purchase Plan, and
- You meet the minimum employment condition of three (3) months. This length of service may be accumulated under a fixed-term contract or several contracts, not necessarily consecutive, between January 1, 2024, and November 13, 2025.

Subscription Period

The Subscription Period will start on November 3, 2025, and last until November 13, 2025 (inclusive). Therefore, to participate in myAL myShare 2025, you must subscribe on or by November 13, 2025, at the latest (before 11:59 pm, Paris time).

During the subscription period, you may subscribe online at myalmyshare2025.airliquide.com. The username and password will be provided to you by email. Additionally, you can participate by completing a paper subscription form if you do not have internet access to subscribe online. If you participate by submitting a paper subscription form and also via the myAL myShare website, the online subscription will be used and considered final. Unless you participate online, please return your duly completed subscription form to your Human Resources representative on or before November 13, 2025.

Subscription Price

L'Air Liquide shares are offered at a discount. The subscription price for each share is based on the average of the opening prices of the L'Air Liquide S.A. share on Euronext Paris (the Paris stock exchange) over the 20 trading days before the date on which the subscription price is set (referred to as the "reference price"). The subscription price is expected to be set on October 29, 2025. The subscription price equals the reference price minus a 20% discount. For example, if the Reference Price were €150, the Subscription Price would be €120.

You will pay for your investment in Rs. (₹). For your investment purposes, the amount of your payment in Indian Rupees will be converted into euros (€) by your Employer because L'Air Liquide shares are listed in euros (€). The exchange rate used to determine the amount of your investment in euros (€) will be determined by L'Air Liquide before the start of the subscription period, and the subscription price will be communicated to you along with the subscription price. Any variation between the exchange rate determined by L'Air Liquide and the exchange rate in effect on the date of the actual remittance of funds abroad will not affect the amount of your investment.

Important Note: During the life of your investment, the value of L'Air Liquide shares will be affected by fluctuations in the currency exchange rates between the euro (€) and Rs. (₹). As a result, if the value of the euro (€) strengthens relative to the Rs. (₹), the shares expressed in Rs. will increase. On the other hand, if the euro's (€) value weakens relative to the Rs. (₹), the value of the shares expressed in Rs. (₹) will decrease. Thereafter, exchange rate fluctuations between the € and ₹ can positively or negatively impact your investment.

Maximum & Minimum Subscription Amount

The maximum amount you can invest in myAL myShare 2025 cannot exceed 25% of your 2025 gross annual remuneration, including a performance bonus (if any). To calculate your gross annual remuneration, you should include your salary, the sum of retiral and performance bonus (if any).

In addition, if you choose to pay for your investment through 12 monthly salary deductions, each monthly salary deduction cannot exceed 10% of your net monthly salary.

Your responsibility is to ensure that your investment does not exceed the above limit calculated based on the 2025 calendar year. In making the calculation, you will need to estimate the remuneration you expect to receive until the end of the year; hence, you should calculate your remuneration without including the elements of variable pay or other benefits that are not guaranteed.

The minimum amount you can choose to subscribe to is one L'Air Liquide S.A. share.

Methods of Payment

Payment is to be made in Indian Rupees (Rs.). The following payment methods are available to you to subscribe to L'Air Liquide shares:

- Financing by your Employer for the full subscription price, or
- Payment by you by bank transfer of the full subscription price (NEFT or RTGS).

You must indicate your payment method choice in the Subscription Form.

If you opt to pay your subscription by bank transfer (NEFT or RTGS), your Employer must receive payment of the total subscription amount by December 12, 2025. Simultaneously, when making the bank transfer, please provide the designated person in your HR department with proof of the transfer. The bank account details to which payment must be made will be emailed to you before the start of the subscription period.

Financing would be in the form of a short-term 'interest-free' loan, which would be repayable/recoverable from your salary over 12 (twelve) months through a monthly payroll deduction starting January 2026. Each instalment payment made by salary deduction will not exceed 10% of your net monthly salary. Although the said financing would be interest-free, according to the Income-tax Act, a notional interest would be chargeable and treated as a perquisite and taxable in your hands until repayment¹.

If you opt for the financing facility, you consent to a voluntary payroll deduction from January 2026 for collecting the subscription amount by your Employer. If your employment ends for any reason before the said payroll deduction is made, the subscription amount may be deducted from your final wages. In other words, if you leave employment before the loan repayment, your Employer will be entitled to deduct the unpaid contribution and costs (if any) from your payroll/salary at the time of full and final settlement.

Custody of your L'Air Liquide shares

Shares subscribed will be held directly by you in registered form with L'Air Liquide S.A.'s own shareholder services department.

Dividends

Any dividend paid on the L'Air Liquide shares will be paid directly to you, net of the applicable French withholding tax. In addition, L'Air Liquide shares held for more than two (2) full years would be eligible for a 10% increase in the dividend amount (referred to as a "loyalty bonus" but legally classified as a dividend payment).

Voting rights

The voting rights on the L'Air Liquide shares will be exercisable directly by you.

Currency Exchange Control

All Indian resident individuals, either employees or executive directors of L'Air Liquide India, are permitted to acquire foreign securities under ESOP schemes without any monetary limit. However, for myAL myShare 2025, the maximum subscription amount per employee is given above.

Please note that your participation in myAL myShare 2025, including your contributions, must comply with applicable Indian laws, including the Foreign Exchange Management Act, 1999, and the rules and regulations issued thereunder, as amended from time to time. The remittance of the subscription amount by your Employer on your behalf under the Liberalised Remittance Scheme² (LRS) must be within the limit of USD 250,000 or otherwise be in accordance with and subject to the applicable exchange control laws and regulations in force. Your Employer may not be aware of your other remittances under the LRS; hence, you are solely responsible for ensuring that your subscription is within the limit of USD 250,000. You agree to be solely responsible for any breach of the Foreign Exchange Management Act, 1999, and the rules and regulations issued thereunder. In case later, it is found that such remittance has led to a breach of the prescribed limit, i.e., USD 250,000 per financial year (or otherwise), you will be responsible for bringing the excess funds back to India and shall suo moto apply for compounding.

¹Further details are provided in the Tax Section below.

²The Liberalised Remittance Scheme of Indian foreign exchange control regulations allows an Indian resident employee to buy securities of a foreign company for an amount not exceeding USD 250,000 in a financial year (i.e., 1st April of one calendar year to 31st March of the following calendar year). This limit is the aggregate amount an employee can remit in a financial year (April–March) and would include his remittances towards all permissible current and capital account transactions.

Your local Employer will handle all matters related to foreign exchange under *myAL myShare 2025* in accordance with applicable laws and regulations. To participate in *myAL myShare 2025*, you have authorised your Employer to make a relevant application or file it with the appropriate authority on your behalf for the implementation of *myAL myShare 2025*. Additionally, you may need to complete or submit any documents as required by laws, regulations, or relevant authorities in connection with *myAL myShare 2025*.

Subject to the terms of *myAL myShare 2025*, you may transfer/sell L'Air Liquide shares acquired under *myAL myShare 2025* provided the proceeds thereof are repatriated immediately on receipt thereof and in any case, not later than 180 days from the date of sale.

When you redeem your investment, your Employer will file the claim with the relevant governmental authorities (if required) and follow all procedures requested by the banks, which may result in a delay in payment of your proceeds. Since your capital gain from *myAL myShare 2025* may be affected by the foreign exchange rate between the Indian rupee and the euro, your proceeds in Indian rupees may be materially impacted by fluctuations in the foreign exchange rate resulting from such a payment delay.

Please refer to the India Tax Note for the applicability of the tax collected at source ("TCS"). TCS will apply if your international/overseas transfers (including *myAL myShare 2025*) under the LRS exceed Rs.1,000,000 for the financial year 2025-26.

Securities Notices

This document and the offer are addressed only to L'Air Liquide group employees who are eligible to participate in *myAL myShare 2025*. No Indian securities law or other filing or reporting requirements apply to this *myAL myShare 2025*.

Lock-up Period and Early Exit Events

Considering the benefits granted under *myAL myShare 2025*, the subscribed L'Air Liquide shares are subject to a five-year (5) lock-up period, ending on December 9, 2030, subject to certain exceptions for early exit currently provided for under French law. The exceptions are:

- 1.** marriage of the employee,
- 2.** birth of a child or a child is adopted, provided the employee's household is already financially responsible for at least two children,
- 3.** divorce or other judicial recognition of separation, if custody of at least one child at the domicile of the employee concerned is retained,
- 4.** disability of the employee or the spouse or child as defined under French law,
- 5.** death of the employee or the spouse,
- 6.** termination of employment for any reason, including resignation, dismissal, or retirement,
- 7.** creation by the employee's children or spouse of a specific business venture, as provided under French law,
- 8.** purchase or enlargement of the principal residence,
- 9.** domestic violence committed against the employee by the spouse or former spouse.

The above summarises the current early exit events permitted under French law. However, it would help if you did not conclude that an early exit event is available unless you have described your specific situation to your Employer and your Employer has confirmed that it applies upon your providing the requisite supporting documentation.

You must present a request for redemption within six (6) months after the occurrence of such event, except in the event of the death of your spouse, disability, termination of the employment contract or domestic violence (in which case the request may be submitted at any time). Your representatives must request redemption following your death.

A single (bank transfer) payment will be made for early redemption, which will apply to all or some of the shares that may be redeemed as requested.

If you submit an early exit request, the shareholder services department will execute your request after your Employer has validated it and transfer the value of your investment to you or your Employer. If paid to your Employer, your Employer may transfer the sums owed to you after deducting any tax or social charges, if required.

Please contact your Human Resources department for additional information on early exit cases and redemption procedures.

Sale of L'Air Liquide shares

Your investment will become available upon the expiry of the lock-up period or earlier in the event of an early exit. Before the end of the lock-up period, you will be informed of your investment availability and may sell your investment at any time.

In the event of an early exit, you must inform your Employer of your desire to sell L'Air Liquide shares. In addition, you are required to provide appropriate justification for the occurrence of the early exit event. If you sell your investment, you will receive the payment via bank transfer. Subject to the above, at the end of the five-year (5) lock-up period, you may either decide to keep the shares or sell them at any time.

Labour Law Disclaimer

Please note that *myAL myShare 2025* is provided to you by the French company, L'Air Liquide S.A., not your local Employer. The *myAL myShare 2025* offering does not form part of your employment agreement and does not amend or supplement it. Further, your participation does not entitle you to future benefits or payments of a similar nature or value. It does not confer upon you any right to participate in similar offerings in the future. Benefits that you may receive or be eligible for under *myAL myShare 2025* will not be considered in determining the future benefits, payments or other entitlements, if any, that may be due to you (including in employment termination cases).

Cancellation

L'Air Liquide S.A. may, at its discretion, choose to cancel *myAL myShare 2025* at any time until the day the subscription price is expected to be set, i.e., October 29, 2025.

Representations, Warranties, & Agreements by all Participants

By agreeing to purchase L'Air Liquide shares under *myAL myShare 2025*, you hereby represent, warrant and agree to the following:

- (i) You have read and understood the subscription documents available on the dedicated website at myalmyshare2025.airliquide.com, particularly the terms and conditions of *myAL myShare 2025*. Accordingly, you fully accept and agree to the terms and conditions of *myAL myShare 2025* and are bound by them as though you had signed them.
- (ii) You are an employee of a participating Air Liquide group company and meet the eligibility criteria to participate in *myAL myShare 2025*.
- (iii) You have been informed of the subscription price per L'Air Liquide share you purchase.

- (iv) You understand that your investment value is tied to L'Air Liquide's share price changes. Therefore, you risk your contribution invested in *myAL myShare 2025* and understand the importance of diversifying your investments. Neither L'Air Liquide nor your Employer nor any of their respective subsidiaries, directors, officers, or employees provides financial, investment, tax or other advice connected with *myAL myShare 2025*.
- (v) L'Air Liquide S.A.'s information may be found in its most recent Universal Registration Document and other financial reports at <https://www.airliquide.com/investors>. These documents contain important information on L'Air Liquide S.A.'s activities and strategy, its financial results, the risks inherent to its business, and an investment opportunity in its shares. You should review this document before investing in *myAL myShare 2025*.
- (vi) Although a general tax summary is provided as part of this Country Supplement, neither L'Air Liquide S.A. nor your Employer offers any tax advice. Therefore, you should consult your tax advisor for guidance on the tax implications of participating in *myAL myShare 2025*. Furthermore, neither L'Air Liquide nor your Employer is providing investment advice concerning *myAL myShare 2025*, nor is it liable for any tax obligations resulting from your participation in *myAL myShare 2025*.
- (vii) If the total subscription requests under *myAL myShare 2025* exceed the number of shares offered, you understand that L'Air Liquide S.A. may reduce the number of shares allocated to you at its discretion.
- (viii) Your investment is subject to a 5-year lock-up period (ending on December 9, 2030) unless you become eligible for one of the early exit events stated above. The early exit events must be interpreted and applied consistently with French law. Therefore, before relying on or attempting to rely on any of these early exit events, you understand that you should consult with your Employer to ensure that your case meets all French law requirements.
- (ix) Participation in *myAL myShare 2025* is separate from and does not form part of your employment agreement and does not confer upon you any right or entitlement regarding your employment. Participation in *myAL myShare 2025* does not confer any rights in connection with or regarding future offers of L'Air Liquide shares or benefits.
- (x) L'Air Liquide S.A. or your Employer shall not be liable for any act done or omitted to be done in connection with *myAL myShare 2025* except for its willful misconduct or as expressly provided by the law.
- (xi) You understand that your personal data will be processed, transferred and stored in connection with your participation in *myAL myShare 2025* and that further information regarding the terms of such data processing and your rights is available at myalmyshare2025.airliquide.com.
- (xii) The *myAL myShare 2025* is subject to the laws of the Republic of France and should be interpreted following such laws. These laws have been chosen to apply because L'Air Liquide S.A. is a company organised under the laws of France. In the event of any dispute regarding the interpretation, validity, or application of *myAL myShare 2025*, the relevant parties will strive to find an amicable solution. However, if such a solution cannot be found, the dispute shall be heard by a competent court in France.
- (xiii) As a result of sanctions imposed by the European Union, citizens or residents of Russia or Belarus who do not have a legal residence or citizenship in the European Union in a country member of the European Economic Area or Switzerland may not participate in the *myAL myShare 2025*. Therefore, I declare:
 - I am not a Russian national or resident of Russia; if I am, I am also a citizen of a Member State of the European Union, of a country member of the European Economic Area or Switzerland, or have a temporary or permanent residence permit in one of these Member States; and
 - I am not a Belarusian national or a resident of Belarus; if I am, I am also a citizen of a Member State of the European Union or have a temporary or permanent residence permit in one of these Member States.
- (xiv) If you have any questions about this offer, you should contact your local Plan Officer. Their details appear on <https://myalmyshare2025.airliquide.com>.

Part B - tax summary for Employees Resident, Ordinarily Resident & Domiciled in India

This document aims to answer some of your questions regarding the consequences of income tax and social charges arising from your participation in the 2025 Air Liquide Group employee share offering ("myAL myShare 2025").

The following tax summary sets forth general principles that are expected to apply to employees who are (i) resident, ordinarily resident and domiciled in India for Indian tax laws and the treaty entered into between France and India for the avoidance of double taxation dated September 29, 1992 (the "Treaty") and (ii) are entitled to the benefits of the Treaty but may not apply in all specific cases. This summary is given for informational purposes only and should not be relied upon as complete or conclusive.

Please note that this Local Supplement is based on the tax laws in force on April 1, 2025. Since the tax laws, practices, and the Treaty are subject to change over time, this may affect your tax position. Therefore, you should seek specific tax advice at the appropriate time.

Please note that neither L'Air Liquide S.A. nor your Employer provides you with any personal guidance or tax advice concerning myAL myShare 2025. Employees should consult their tax advisors regarding the tax consequences of acquiring L'Air Liquide shares in myAL myShare 2025. This summary is given for informational purposes only and should not be relied upon as complete or conclusive. Your Employing company does not take responsibility for the accuracy hereof.

This tax note should be read in conjunction with other materials distributed to you and made available on the dedicated website at myalmyshare2025.airliquide.com. Please note that the new TCS (Tax Collected at Source) provisions described below apply to individuals who have made outward remittances from India exceeding Rs.1,000,000 during FY 2025-26.

Upon subscription

Will I be required to pay any tax and/or social security charges at the time of subscription to L'Air Liquide shares?

A. Taxation in France

You will not be subject to taxation in France upon the subscription of L'Air Liquide shares.

B. Taxation in India

Are there any tax or social security charges payable at the subscription time?

Also, will the discount be subject to tax and/or social security charges?

Share price discounts available at the time of subscription will be subject to taxation as a perquisite in your hands. Therefore, for the financial year 2025-2026, at the time of allotment, you would be liable to pay tax on the difference between the fair market value (which will be determined by a Category I Merchant Banker) and the subscription price paid. Accordingly, such amount shall be treated as "**Perquisite**" income and taxable in your hands under section 17(2) of the Income-tax Act, 1961.

The valuation of perquisite is calculated on the **difference** between:

(i) the "fair market value" of L'Air Liquide shares (as determined by a "category I merchant banker" registered with the Securities and Exchange Board of India), and

(ii) the subscription amount paid by you.

While determining the fair market value ("FMV"), the merchant banker will consider the listed price of L'Air Liquide shares on the Euronext Paris stock exchange on the specified date (i.e., date of subscription or any date within 180 days earlier to the date of subscription) as one of the considerations. Your Employer will procure such a share valuation certificate.

Since L'Air Liquide shares are offered at a 20% discount, the proposed discount on the FMV of L'Air Liquide shares would be treated as a perquisite under Section 17 of the Income-tax Act, 1961 and, as a result, would form part of your compensation and be liable to be taxed in your hands as income under the head "Salaries". Accordingly, the tax will be incurred at the time of allotment. The tax rate would depend on your total income and be taxed slab-wise as applicable to you (for applicable tax rates, please refer to the table under the Section "**Upon Redemption**").

Illustration:	
Fair Market value of 1 L'Air Liquide share	Rs. 100
Subscription price paid by you (after 20% discount)	Rs. 80
Discount	Rs. 20

The discount of Rs. 20 will be treated as "Perquisite" income and added to your taxable salary.

Your Employer would not be liable to pay any tax at purchase. Your Employer will withhold tax as per the applicable slab rates (and applicable tax regime) to you and remit such taxes withheld to the tax authorities. In addition, your Employer may collect the applicable tax collected at source ("TCS") from you under the Liberalised Remittance Scheme³ ("LRS") and deposit the tax with the tax authorities⁴, wherever applicable.

Please note that TCS on LRS is a requirement recently introduced and applies to all outward remittances under the LRS exceeding Rs.1,000,000 per person per financial year. Effective April 1, 2025, the applicable TCS rate is 20% of the remitted amount above Rs. 1,000,000. If your total remittances under the LRS in FY. 2025-26 (together with the remittance under myAL myShare 2025) do not exceed Rs.1,000,000, you will not be subject to TCS. However, if your remittances exceed Rs.1,000,000 and TCS applies, TCS will be collected/recovered by your Employer from your January 2026 payroll (in a single instalment) and deposited with the tax authorities (through the Authorized Dealer/banker (AD) appearing as a credit in your Form 26AS). The TCS collected can be adjusted against your actual tax liability to be payable at the end of the year⁵. If you have no such tax liability, you can claim a refund at the end of the year. Please consult your tax advisor. The Employer will not bear these taxes.

³ Under the LRS scheme, a resident person can remit funds outside India up to US\$ 250,000 without prior permission from RBI for the financial year from 1st April to 31st March. This scheme is available only to individuals.

⁴ From April 1, 2025, the Tax Collection at Source (TCS) for outward foreign remittance under LRS is 20% (beyond the threshold limit of Rs. 1,000,000). Employers must seek guidance from the bank on the implementation and recovery mechanism.

⁵ Under the Income-tax Act, the provisions dealing with the deduction of TDS on salary income are now amended to factor in any TDS or TCS credit available to employees when computing the amount of tax to be deducted from their salary income.

When subscribing to shares, you would have no social tax consequences.

If you participate in myAL myShare 2025, you must submit a declaration regarding your remittances made during FY 2025-26 (up to the date of subscription/declaration). If you fail to provide the declaration, the TCS (in applicable cases) will be collected as per the advice of the (AD) bankers, and you will be deemed to accept the contents of the declaration unconditionally. Additional regulatory guidance on TCS's scope, application, and recovery could impact its application as described above.

In the hands of the Employer:

There will be no separate liability on the Employer to pay any tax other than withholding taxes as mentioned above.

Apart from the above, currently, there are no social security taxes or other charges payable.

Will the interest-free instalment payment be subject to tax and/or social security charges?

Under Section 17(2)(vi) of the Income-tax Act, 1961, read with Rule 3 of Income-tax Rules, 1962, the perquisite includes the value of any benefit or amenity granted or provided free of cost or at a concessional rate. Per the provisions of Rule 3(7)(i) of the Income-tax Rules, 1962, an interest-free loan or loan provided at a concessional rate qualifies as a perquisite. Therefore, the benefit, concession or amenity extended by the Employer to you (if you so opt) would take the form of perquisite and be liable to tax in your hands.

Valuation of Perquisite (in the form of an interest-free loan)

Since financing by the Employer would be free of interest, the Indian tax law requires a charge of a notional rate of interest on the loan amount, which would be treated as a perquisite granted to you and subject to tax. The perquisite value would be calculated based on the maximum outstanding monthly balance method. However, no perquisite value would be charged if the loan amount is less than Rs. 20,000 in the aggregate.

According to Rule 3(7)(i) of the Income-tax Rules, 1962, the value of the benefit to the employee resulting from the interest-free or concessional loan (above Rs. 20,000) for any purpose by the Employer shall be determined as the sum equal to the interest computed at the rate charged per annum by the State Bank of India as on the first day of the relevant previous year in respect of loans for the same purpose advanced by it, on the maximum outstanding monthly balance as reduced by the interest, if any, actually paid by him for the amount above Rs. 20,000.

The rate charged by the State Bank of India for such a type of loan is 14.10%⁶ per annum (which is subject to change from time to time). As the value of perquisite in the hands of the employee would be the difference between the interest rate charged by the State Bank of India and the rate offered by the Employer (in the present case zero, since the Employer will not charge interest), the value of perquisite will be 14.10% on the maximum outstanding monthly balance. Since the perquisite value on account of an interest-free/concessional loan would be taxable in your hands, the Employer would withhold tax thereon at the appropriate rate.

You would have no social security tax consequences if you received financing from the Employer.

Illustration:

- Sameer took a loan of Rs. 18,000 from his Employer on January 1, 2026, to subscribe to L'Air Liquide shares. Therefore, no amount is taxable as the loan amount is less than Rs. 20,000 (provided this loan (or other outstanding interest-free loans) does not exceed, in the aggregate, Rs. 20,000).
- Sameer took a loan of Rs. 100,000 from his Employer on January 1, 2026, to subscribe to L'Air Liquide shares. The loan is repayable through monthly payroll deductions over a 12-month period. The perquisite is not exempt from tax as the loan amount exceeds Rs. 20,000.

Perquisite calculation: The perquisite value for the year 2025-26 is calculated as follows:

On January 1, 2026, an employee received an interest-free personal loan of Rs. 100,000, recovered across twelve instalments. The repayment, through payroll deduction, occurs on the last day of each month, with the first loan instalment due on January 31, 2026. The SBI interest rate as of April 1, 2025, is assumed to be 14.10% per annum.

Interest-Free/Concessional Loan to Employee - Valuation of Perquisite - Financial Year 2025-26		
SBI Interest as of 01.04.2025		14.10% ⁷
Actual Interest charged by Employer (in Rs.)		0
Loan Outstanding on 01.01.2026		100,000
Monthly Repayment instalment		8,333
Month	Maximum amount outstanding on the Last day of the Month	Perquisite Value ⁸ (Interest as per SBI rate)
Jan-26	91,667	1077
Feb-26	83,333	979
Mar-26	75,000	881
Apr-26	66,667	783
May-26	58,333	685
Jun-26	50,000	588
Jul-26	41,667	490
Aug-26	33,333	392
Sep-26	25,000	294
Oct-26	16,667	196
Nov-26	8,333	98
Dec-26	0	0
Total Interest / Perquisite Value		6463
Less: Recovered		0
Valuation of Perquisite		6463

For tax purposes, as of March 31, 2026, the perquisite value would be added to the employee's income for FY 2025-26 and taxed. From April 2026 to December 2026, the employee would be taxed in the relevant financial year.

⁶ Provisional Rate. The interest rate undergoes a change periodically. Rate to be reconfirmed by Employer.

⁷ SBI rate of interest (provisional) as of 1st April 2025 (for Personal Loan). To be reconfirmed by the Employer with the bank. The employer must also confirm the SBI rate of interest as of 1st April 2026 for FY 2026-27.

⁸ Perquisite value = Maximum Outstanding Monthly Balance (Closing Balance) x 14.10% / 12.

During the life of myAL myShare 2025

Are any Tax or Social Security Charges payable on Dividends in the event of distribution?

Yes.

● Taxation in France

The dividends paid by L'Air Liquide S.A. to you will be subject to a French withholding tax of 12.8% unless paid to a bank account opened in a Non-Cooperative State or Territory (NCST)⁹, which would trigger a 75% withholding tax in France.

● Taxation in India

Any dividend paid on your shares during the 5-year lock-up period will be paid to you (after the deduction of French withholding tax and other levies). However, the same would also be taxable in India, as dividends from a foreign company are taxable under Indian tax laws. This income will then be added to your other income, and the total income, including the dividend income, will be taxable under the head of "**Income from Other Sources**". The liability to pay tax on dividends vests with you, and your Employer will not be liable to withhold tax or pay the same.

You are liable to pay tax on dividends, and your Employer will not be liable to withhold or pay the same. While filing your income-tax return (ITR), you must report the dividend earned from the L'Air Liquide shares. Such reporting is necessary, regardless of the value, in the tax return using the appropriate ITR form (ITR-2). For further details, please refer to the Section "**Reporting Obligations**".

The dividend received from L'Air Liquide S.A. will be subject to tax both in India and France. However, if the tax on dividends declared by L'Air Liquide S.A. has been withheld/deducted in France, you can claim double taxation relief in India under the India-France DTAA Treaty, subject to compliance with the relevant provisions of the Indian income tax laws. In other words, in the case of double taxation of dividends, tax credit in respect of tax paid in France on the dividend income will be available in India under the India-France DTAA Treaty, and double taxation may be avoided. It means you do not have to pay twice the tax on the same income. However, such a tax credit cannot exceed the income tax payable on the dividend income in India.

In addition to other requirements, to claim the foreign tax credit, you will be required to furnish a statement of foreign income and taxes paid thereon in Form 67, which must be filed electronically along with your income tax return on or before the due date for filing the return. If no tax is payable in India, a credit or refund cannot be claimed for taxes paid in a foreign country (France). For more specific advice, please consult your tax advisor.

Rate of taxation. The rate of taxation would depend on your total income, including dividend income, and you would be taxed at progressive slab-wise rates (and applicable tax regime) up to 30%, plus applicable surcharge and health and education cess. Please refer to the table under the Section "**Upon Redemption**" for tax rates. For instance, if you fall into the 30% tax slab rate, such a dividend will also be taxed at 30% along with the applicable surcharge and health and education cess, as appropriate.

Since the dividend is declared in €, you must convert the value of dividends into Rs. by multiplying the dividend amount in € by the SBI TT Buying Rate of € to INR as of the last day of the month preceding the month in which the dividend is declared, distributed or paid.

Will I be required to pay any tax and/or social security charges at the end of the lock-up period, even if I do not sell L'Air Liquide shares?

There is no tax liability for you or your Employer at the end of the 5-year lock-up period if you remain invested in L'Air Liquide shares.

Upon redemption

Are any Tax or Social Security Charges Payable upon the Redemption or Sale of your L'Air Liquide shares?

(i) Taxation in France

You will not be subject to income taxes in France on the gain, if any, realised on the sale of your shares.

(ii) Taxation in India

In India, you are subjected to capital gains tax on the profit or gain realised on the redemption/sale of your shares. Other than income tax, no social security taxes or other charges are payable.

Nature of the tax (e.g., income, capital gain or another form of tax)

Any gain or loss you accrue upon the redemption/sale of shares will be treated as capital gain or loss. In other words, capital gains tax would be attracted only to profit or gain made at the time of redemption/sale of shares.

Under the Income-tax Act, 1961, any profits or gains arising from transferring a capital asset (herein redemption or sale of shares) are chargeable to income tax under the head "Capital Gains". Accordingly, you will be responsible for declaring any capital gains (or losses) you realise upon selling the shares and paying applicable taxes due to such gains. Your Employer will not have any withholding tax obligation at the time of redemption/sale of shares.

What is the Method to Calculate the Taxable Amount?

Capital Gain is calculated as the difference between the sale consideration¹⁰ at redemption/sale and the Fair Market Value (FMV) of L'Air Liquide shares at the time of subscription. Thus, if the selling price is higher than the FMV at the time of purchase, it results in a capital gain; conversely, if the selling price is lower than the FMV at the time of purchase, it leads to a capital loss. In other words, capital gains tax would be attracted only to the profit or gain made when the shares are redeemed/sold (actual amount recovered plus the amount of perquisite mentioned in Form 12BA in the year of subscription). Therefore, capital gains will be computed using the FMV of the shares at the time of subscription (regardless of the 20% discount) as the acquisition cost.

The income chargeable as long-term capital gains will be computed by deducting from the value of the sale consideration received from the redemption/sale of the shares, the FMV of the shares at subscription and any expenditure incurred wholly and exclusively in connection with the transfer of the shares.

⁹ The list of NCSTs can be modified each year. The states and territories qualifying as NCSTs are currently the following: Anguilla, Antigua and Barbuda, Turks and Caicos Islands and Vanuatu.

¹⁰ The SBI TT buying rate of EUR (€) as of the last day of the month preceding the month of redemption/sale should be considered for converting the sale consideration at redemption/sale into Rs.

Example: In case you are a tax resident in India at the time of redemption of shares, the capital gains will be calculated in the following manner:

Amount	
Sale consideration from the redemption/sale of shares	X
FMV of shares at subscription as the cost of acquisition ¹¹	Y
Expenditure incurred in connection with the redemption/sale of shares	Y1
Capital Gain (Z) =	X – (Y+Y1)¹²

Since L'Air Liquide shares are not listed on a stock exchange in India, the tax treatment would be similar to that of unlisted shares in India. The nature of capital gain, i.e., **long-term** or **short-term**, would depend on the holding period of shares. If shares are held for a period **exceeding twenty-four (24) months**, the capital gain will be treated as **long-term**; otherwise (i.e., held for less than **twenty-four (24) months**), the capital gain will be treated as **short-term** and taxed accordingly. The holding period is calculated from the allotment date up to the date of sale.

Illustration:

1. Sameer is a salaried employee of Air Liquide India. In January 2026, he subscribed to L'Air Liquide shares. Sameer redeemed/sold all shares at the end of the lock-up period in December 2030. Since the period of holding of L'Air Liquide shares is more than 24 months, the shares would be treated as long-term capital assets, and capital gain, if any, earned would be taxed as long-term capital gains.
2. Sameer is a salaried employee of Air Liquide India. In January 2026, he subscribed to L'Air Liquide shares. Due to an early exit case, Sameer sold the shares in May 2027, i.e., after holding them for less than 24 months. Hence, the shares would be treated as short-term capital assets, and any capital gain would be taxed as short-term capital gains.

Long-term and short-term capital gains are taxed differently. Further details on the tax payable rate for long-term and short-term capital gains are provided below.

Rate of Taxation

- **Long-Term Capital Gains:** The present applicable tax rate for long-term capital gains is 12.5%¹³, plus the applicable surcharge and health and education cess.
- **Short-Term Capital Gains:** Short-term capital gains are included in the employee's income and are taxed as per the slab-wise income tax rates specified below.

Example: In case you are a tax resident in India at the time of redemption/sale of shares, the capital gain will be calculated in the following manner:

Let us take an example to make it clear:

A. Long-Term Capital Gains

Sameer subscribed to L'Air Liquide's shares in January 2026, whose fair market value (FMV) was Rs.150,000 (i.e., FMV of shares subscribed through his contribution). Sameer sold all the shares at the end of the lock-up period in December 2030 for Rs.330,000. Since these are shares of an unlisted (Indian) company, the tax payable by Sameer would be 12.5% of the long-term capital gains.

Calculation of Long-Term Capital Gains:

- Purchase Price of all shares : **Rs. 150,000**
- Sale price of shares = **Rs. 330,000**

Capital gains earned by Sameer will be Rs.180,000, as per the following calculation:

$$\text{Sale Value} - (\text{FMV of shares at subscription as cost of acquisition}) = 330,000 - (150,000) = \text{Rs.180,000}.$$

Therefore, the Long-term Capital Gains tax at 12.5% would be $180,000 \times 12.5/100 = \text{Rs. 22,500}$, plus the applicable surcharge, health, and education cess.

B. Short-Term Capital Gains

Sameer is a salaried employee of L'Air Liquide India. In January 2026, he subscribed to L'Air Liquide shares. Due to an early exit case, Sameer sold the shares in May 2027, i.e., after holding them for less than 24 months. Hence, L'Air Liquide shares would be treated as short-term capital assets, and any capital gain would be taxed as short-term capital gains.

In this case, the income from the sale of the shares will be added to Sameer's regular income and taxed according to the applicable slab rates, plus the surcharge and health and education cess.

Income-tax Slab Rates

Income tax is levied on income earned by all individuals as per the Income-tax Act of 1961. If an individual's income exceeds the minimum threshold limit (the basic exemption limit), the tax is assessed according to the slab system.

INCOME TAX SLABS & RATES FOR AY 2026-27 (FY. 2025-26) (Individuals less than 60 years)

Effective from the financial year 2020-21, the government announced an alternative method of levying taxes, allowing individual taxpayers to choose between two tax regimes: the old tax regime and the new, concessional one. The old tax regime allowed taxpayers to continue with existing tax exemptions, such as house rent allowance, leave travel allowance, and deductions under different sections of the Income-tax Act¹⁴.

¹¹ The fair market value of shares at the time of subscription will be considered as the 'cost of acquisition'.

¹² You should consult your personal tax advisor for additional information regarding the calculation of any gain or loss attributable to the sale of shares and to consider the alternatives available to you.

¹³ Long-term Capital Gains arising on the transfer of shares will be taxed at 12.50% effective July 23, 2024. No indexation benefit is available on the transfer of a long-term capital asset.

¹⁴ The tax rates and slabs under the optional old regime remain unchanged in FY. 2025-26. Likewise, income tax slabs, rates, surcharges, cess, rebates, and standard deductions remain unchanged under the optional old tax regime. Also, the new and old tax regimes continue to co-exist. The choice between the two would depend on the difference your tax deductions and exemptions make to your taxable income. The option to choose between two regimes may vary from person to person. It is advisable to do a comparative evaluation and analysis under both regimes and then choose as per requirement.

While those opting for the new tax regime would pay taxes at lower rates, they would have to forego most tax exemptions and deductions under the Income-tax Act¹⁵. The old tax regime refers to the system of income tax calculation and tax slabs that existed before the introduction of the new tax regime, effective April 1, 2020. The law proposes that the new tax regime is the default regime, with the option for assessees to choose the old regime. The new tax regime offers more tax slabs, accompanied by an increase in the tax exemption limit. The comparison of the Old Tax Regime (taxpayers aged less than 60 years) vs New Tax Regime slab rates for FY.2025-26 (AY 2026-27) is as follows:

Income Tax Slab	New Tax Regime (in Rs.)	Old Tax Regime
Nil	0 - 400,000	0 - 250,000
5%	400,001 to 800,000	250,001 to 500,000
10%	800,001 to 1,200,000	
15%	1,200,001 to 1,600,000	
20%	1,600,001 to 2,000,000	500,001 to 1,000,000
25%	2,000,001 to 2,400,000	
30%	Above 2,400,000	Above 1,000,000

Notes:

1. The basic exemption limit is Rs. 250,000 (old regime) / Rs. 400,000 (new regime) for every individual below 60; the new tax regime slab rates are not differentiated based on age group. However, under the old tax regime, the basic income threshold exempt from tax for senior citizens (aged 60 to 80) and super senior citizens (aged above 80) is Rs. 300,000 and Rs. 500,000, respectively.
2. Surcharge of 10% of such income tax if a person has a total income exceeding Rs. 5 million but not exceeding Rs. 10 million.
3. Surcharge of 15% of such income tax if a person has a total income exceeding Rs. 10 million but not exceeding Rs. 20 million.
4. Surcharge of 25% of such income tax if a person has a total income exceeding Rs. 20 million
5. The Health and Education Cess is 4% of the income tax and surcharge.
6. The surcharge rate is capped at 15% for long-term capital gains, short-term capital gains covered under section 111A and dividend income.
7. The following are the thresholds and the rates of surcharge and Maximum marginal tax rate (MMR) applicable in the case of individuals having income:

Total Income	Old Tax Regime	New Tax Regime
	Rate of Surcharge / MMR	
Up to Rs. 5 million	Nil	Nil
Between Rs.5 to 10 million	10% / 34.32% (MMR)	10% / 34.32% (MMR)
Between Rs.10 to 20 million	15% / 35.88% (MMR)	15% / 35.88% (MMR)
Between Rs.20 to 50 million	25% / 39% (MMR)	25% / 39% (MMR)
Above Rs.50 million	37% / 42.74% (MMR)	25% / 39% (MMR)

Note: Under the new tax regime, the maximum surcharge levied on an individual's tax liability has been limited to 25%.

8. Under the new tax regime, the standard deduction is Rs. 75,000. There is no change in the old tax regime concerning the standard deduction. Thus, salaried taxpayers are eligible for the standard deduction of only Rs. 50,000 under the old regime.
9. The new tax regime has been made into the default personal tax structure, though taxpayers can still opt for the old tax regime. The new tax regime is optional and will coexist with the old one, featuring three tax slabs and various exemptions and deductions available to taxpayers. Individuals opting to be taxed under the new tax regime must give up certain exemptions and deductions. On the other hand, individuals opting for the old tax regime will continue to pay tax on their income in FY 2025-26, just as they did in FY 2019-20.
10. From April 1, 2025, in case the taxable income of a resident individual is equal to or below Rs.1,200,000, the tax payable shall be zero on account of tax relief u/s 87A of the Income Tax Act, 1961, if opting for the new tax regime. In other words, a resident individual (whose net income does not exceed Rs. 1,200,000) can avail themselves of a rebate under Section 87A of the Act. The same is deductible from income tax before calculating the education cess. Effectively, this would mean that individual taxpayers with a net taxable income of up to Rs. 1,200,000 (excluding special income, such as capital gains) will continue to pay no tax under the new regime. In other words, no tax slab will apply for an annual income of up to Rs.1,200,000 (Rs.1,275,000 for salaried taxpayers with a standard deduction of Rs.75,000) under the new tax regime. Hence, the tax liability under the new tax regime for incomes up to Rs.1,275,000 is zero for salaried individuals.

Please note that the above tax rates are subject to change as they are determined by the Finance Act of the assessment year in which the disposal or redemption occurs.

Do you have Reporting Obligations concerning the Subscription, Holding, Redemption of L'Air Liquide shares and receipt of Dividends?

If you are a resident and ordinarily resident as per the provisions of the Income-tax Act, 1961, in that case, you will be subject to taxation on your global income in India, subject to benefits available, if any, under the Treaty between India and France. Therefore, you must disclose your investment under myAL myShare 2025 in L'Air Liquide S.A. during the holding period (starting from the year of subscription), receipt of dividend (if any) and the capital gains earned at the time of redemption in your income tax return (**Form ITR-2**) in the relevant financial year.

¹⁵ Illustrative list of exemptions/deductions that a taxpayer may have to give up while choosing the new tax regime:- Leave travel allowance, house rent allowance, conveyance, daily expenses in the course of employment, relocation allowance, helper allowance, children education allowance, other special allowances (section 10(14), standard deduction, professional tax, interest on housing loan (section 24), chapter VI-A deductions (sections 80C, 80D, 80E and so on, except section 80CCD(2) and 80JJJA).

Tax Reporting in your Income Tax Return ("ITR")

According to the law, disclosing foreign assets in the income tax return (ITR) is mandatory for resident taxpayers who own specified foreign assets at any time during the entire accounting year. Thus, while filing your income-tax return (in Form ITR-2), you must report the shares you hold in L'Air Liquide S.A. and the foreign-sourced income earned therefrom. Such reporting is necessary (irrespective of the value) in the tax return using the appropriate ITR Form (ITR-2)¹⁶. In addition, apart from the value/cost of L'Air Liquide shares, the income earned (in Rs.) from the shares, the nature of the income, and the head of income under which such income is being offered to the tax must be reported. Please note that you must provide details of the foreign assets held (shares in L'Air Liquide S.A.) in Schedule F.A. [Details of Foreign Assets and Income from any source outside India] of the ITR form and fill the Schedule Foreign Source Income (FSI), Schedule AL¹⁷ and Schedule Tax Relief (TR) of the return of income, wherein details such as the taxpayer's identification number in the overseas country (if applicable), the type of foreign income earned, the amount of income, the foreign tax paid thereon, and the Indian tax payable on such income are required to be disclosed. You must consult your tax advisor to ensure compliance with applicable reporting obligations.

When it comes to disclosing foreign investments and stocks for tax purposes in India, there are specific guidelines that must be followed. These investments are classified as "**any other capital asset held**" should be reported in Table D under Schedule F.A. in your ITR form (ITR-2), and the value of these assets should be declared in Rs. after converting them from foreign currency.

Dividends should be declared as income from other sources in the year they are paid, and the employees must pay the applicable tax on dividends. Dividends are taxable in the year they are earned, regardless of whether they are remitted to India or reinvested.

The ITR-2 Form requires disclosure of assets held at any time during the calendar year for employees who have foreign assets or investments. For this purpose, the accounting period followed by the foreign country for closing their accounts is considered the accounting period for reporting the assets. For instance, if you are filing ITR for the assessment year 2026-27, you must disclose all the foreign assets you held from January 1, 2025, to December 31, 2025, as most countries follow the calendar year for assessment, unlike India, where the financial year is from April 1 to March 31. i.e., if you purchased foreign stocks/shares in December 2025, they still need to be declared in Schedule F.A. in FY26. Moreover, stock/shares or any asset acquired between January 2026 and March 2026 will no longer be required to be disclosed in the current ITR filing but in the assessment year 2027-28.

Who Needs to Fill the Foreign Asset Schedule in the Income Tax Return?

If you are a tax resident of India in the previous year, own foreign assets or bank accounts, or have earned foreign income during the previous year, then you must fill out the F.A. Schedule A.

Irrespective of the slab rate applicable, you must file an ITR if you hold any foreign asset at any time in the financial year.

Employees resident in India must fill the foreign asset schedule for the foreign assets held on December 31, 2025, even if:

- You have no taxable income or fall within the basic exemption limit. The same information is captured in any other schedule, like schedule AL.
- the foreign asset is created/acquired from disclosed foreign or domestic income sources.

Failing to disclose an asset in the F.A. Schedule could trigger a penalty, while not reporting any income for tax could also result in a penalty.

¹⁶ Failure to disclose foreign assets in the ITR may attract penalties under the Black Money Act of 2015.

¹⁷ Schedule AL - Assets and Liabilities at the end of the year (applicable in a case where the total income exceeds Rs.5 million).

Format of declaration in Form ITR-2 when you invest in shares in L'Air Liquide S.A.¹⁸:

Details of any other capital asset held (including any beneficial interest) at any time during the calendar year ending as on December 31, 2025											
SN	Country Name and Code	Zip Code	Nature of Asset	Ownership- Direct/ Beneficial Owner/ Beneficiary	Date of Acquisition ¹⁹	Total investment (at cost) (in Rs) ²⁰	Income Derived from the asset	Nature of Income	Income Taxable and Offered in this return		
									Amount	Schedule where offered	Item number of schedule
1	(2)	2b	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
If you earn Capital Gains Income from the early sale/redemption of shares											
	France FR.		Shares in L'Air Liquide S.A. under an ESOP scheme.	Legal Owner.	(If you hold shares under other ESOP plans, please insert the relevant details separately). Please consult a tax advisor.	(See Footnote 20)	NIL (if there is no sale from Jan 2026 to Dec 2026). Whenever sold, please state the sale price multiplied by the SBI TT buying rate of the last day of the month immediately preceding the month in which the sale takes place, minus the investment cost in Class 6, in proportion to the shares sold. Please consult.	NIL. Please fill only in case of the sale of shares and choose between long-term or short-term capital gains depending on the holding period. Please consult a tax advisor.	NIL (if there is no sale of shares from the date of acquisition to Dec 2026). Please fill in the capital gains income (taxable) only in case of the sale of shares ²¹ . Please consult a tax advisor.	NIL. Please write Schedule CG - only in case of the sale of shares.	NIL. Please write B(9) – From the sale of assets where B1 to B8 above are not applicable- only in the case of the sale of shares and a long-term capital gain (In case of short-term, please fill the A5 schedule in the Capital Gains section).
If you earn Dividends Income											
1	France FR.		Shares in L'Air Liquide S.A. under an ESOP scheme.	Legal Owner.		Value of the dividend reinvested in Rs. (if applicable). See Foot Note 22 ²² . Please consult a tax advisor.	NIL (if no dividend has accrued or is received from Jan 2026 to Dec 2026). If you earn dividend income (accrued or received) in the following years, please see Footnote 22 below and consult a tax advisor.	Dividends – "Income from other sources".	Amount of Dividend accrued and received, if any. Please see Footnote 22 below.	Schedule FA	NIL.

*Disclosure in this schedule is mandatory until you receive income/redeem the shares.

¹⁸ Format of the declaration is illustrative only. Please bear in mind that you may have to make additional disclosures if you hold shares under other ESOP Plans. Please consult your tax advisor before filing your tax return.

¹⁹ Insert the date of allotment of shares

²⁰ Please insert your (Rs.) purchase cost of L'Air Liquide shares (FMV of shares) (+) 20% discount you received at subscription (in Rs.) [= Multiply FMV of L'Air Liquide shares in € at subscription (reference price) * number of shares allotted to you (refer to the Upstox portal)* the foreign exchange rate between the Euro and Rs. fixed by L'Air Liquide].

²¹ Please insert the capital gains (long-term or short-term) earned, i.e., column 7 minus (-) column 6.

²² Under the law, in respect of income by way of dividends, please multiply the dividend amount in € by the SBI TT Buying Rate of € to Rs. as of the last day of the month preceding the month in which the dividend is declared, distributed or paid.

Please also fill out Schedule AL, part of ITR-2, which requires disclosing all assets and liabilities held by a taxpayer at the end of every financial year. Individuals must fill Schedule AL mandatorily if their total income exceeds Rs. 5 million after all deductions and they have not engaged in any business or profession during the financial year. Individuals with a total income below Rs. 5 million are not required to file Schedule AL.

Repatriation of sale proceeds to India upon redemption:

Subject to the terms and conditions of *myAL myShare 2025* you may ask for the redemption of your shares acquired under *myAL myShare 2025*, provided that all proceeds from the redemption of the shares are repatriated to India by the Indian resident employees and in any case within one hundred eighty (180) days of such redemption. A person resident in India to whom any foreign exchange is due or has accrued must take all steps to realise and repatriate such foreign exchange to India. Upon realisation of foreign exchange due, a person must repatriate it to India by transferring the proceeds to or receiving them in India, and, *inter alia*, selling them to an authorised person in India in exchange for rupees. A person is deemed to have repatriated the realised foreign exchange to India when they receive payment in rupees in India from the account of a bank or an exchange house situated in any country outside India, maintained with an authorised dealer. The income from the redemption of shares must be reported in your ITR and tax paid thereon at the applicable slab rates, plus the surcharge and health and education cess.

Does your Employer have Reporting Obligations?

Your Employer is not subject to any reporting obligations under the Income-tax Act, 1961 (other than depositing the withheld tax within seven days from the end of the month in which the tax is deducted. The Employer must also file quarterly withholding tax statements regarding the tax deducted at source. The perquisite value and the tax deducted thereon must be reflected in Form 16 and Form 12BA issued by the Employer annually after the end of the financial year. However, your Employer must file a report in Form OPI within 60 days from the end of the half-year (i.e., September or March end, as the case may be) in which shares or interest under *myAL myShare 2025* is acquired or transferred. Such reporting must be filed through its authorised dealer, giving details of the remittances, repurchase of shares, beneficiaries, etc. Additionally, Indian participating entities must file such reports during the duration of *myAL myShare 2025*.

What is the Time & Method of Payment of Tax?

Share price discount available at subscription will be subject to taxation as a perquisite in your hands. The Employer will withhold tax at the rate applicable to you and remit the withheld tax to the authorities.

Liability to pay tax on dividends and capital gains tax vests with you, and your Employer is not liable to withhold tax or pay the same. You will pay the tax when filing your income tax return for each financial year by the due dates mentioned in the Income-tax Act, 1961. Advance tax is paid in instalments. For example, for the financial year 2025-26, instalments are due on June 15, 2025; September 15, 2025; December 15, 2025; and March 15, 2026. Advance tax rules require that your tax dues (estimated for the whole year) be paid in advance. While your Employer deducts tax at source at subscription, you may have to deposit advance tax if you have earned capital gains or dividend income. By March 15, 2026, 100% of your taxes must be paid. Non-payment or delayed advance tax payment may result in a penal interest levy. However, it may be hard to estimate tax on capital gains and deposit advance tax in the first few instalments if the redemption or sale occurs later in the year. As per the income tax provisions, the entire tax liability on the capital gains is to be paid by advance tax in instalments, which fall due immediately after the capital gains have arisen. Therefore, when advance tax instalments are paid, no penal interest is charged when the instalment is short due to capital gains. The remaining instalment (after the sale of shares) of advance tax, whenever due, must include the tax on capital gains. Please consult your tax advisor regarding the tax consequences.