

LOCAL SUPPLEMENT FOR INDIA

Please read this document carefully before deciding to purchase shares under the **2026 LEGRAND group Employee Stock Purchase Plan** (the “Offering”). You will find in this document:

- **Part A** is the general description of the LEGRAND group Offering’s representations, warranties and agreements that you accept if you participate in the Offering (*Part A is a local information document for India that constitutes part of the Offering rules*), and
- **Part B** provides general tax information for participants in India.

This document contains information regarding the Employee Stock Purchase Plan reserved for the LEGRAND group employees. You are invited to invest in the shares of LEGRAND S.A. in this Offering (“LEGRAND shares”). Below is a summary of the Offering and specific terms applicable to participating employees in India, including the principal tax and social security consequences. Please note that this is an International Employee Savings Plan, subject to French laws and regulations.

Please note that the decision to participate in the Offering is yours, considering your situation and any independent advice you may require. Please also note that the Offering and its terms will not form part of your employment relationship with your Employer. Neither your Employer nor LEGRAND S.A. will give investment advice concerning the Offering.

LEGRAND shares are listed on Euronext Paris. You are encouraged to consult LEGRAND 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 LEGRAND shares.

The Offering relies on the exemption from publishing a prospectus provided in Article 4(i) of the E.U. Prospectus Regulation (E.U.) 2017/1129, as amended.

PART A

GENERAL DESCRIPTION OF THE OFFERING

Custody of your Shares

Your shares will be subscribed and held on your behalf by a *Fonds Commun de Placement d’Entreprise* (“FCPE”), a collective investment vehicle commonly used in France to conserve shares held by employee shareholders. The purchase of LEGRAND shares will be made through the FCPE, acting on your behalf. As such, you will be issued units of the FCPE “LEGRAND RELAIS 2026” corresponding to the shares you subscribe to and which will be held on your behalf by the said FCPE.

Eligible employees

Participation in the Offering will be open to individuals employed by LEGRAND entities on the last day of the subscription period, i.e., March 31, 2026, and having at least three (3) months of seniority within the LEGRAND Group, whether continuous or discontinuous, over the period from January 1, 2025, to March 31, 2026 (*inclusive*).

Subscription Period

The subscription period runs from March 13, 2026, to March 31, 2026 (*inclusive*). Your subscription order will become final, binding, and irrevocable on the last day of the subscription period.

Subscription Price

The LEGRAND shares are offered at a 20% discount. The subscription price for each share is based on the average of the closing prices of the LEGRAND share on the 20 trading days ending on March 10, 2026 (also referred to as the “**reference price**”). The subscription price equals the reference price minus a 20% discount. The subscription price is expected to be set on March 11, 2026.

You will make your investment in Indian Rupees (INR). Your investment amount will be converted into euros (€) because LEGRAND shares are listed in euros (€). The exchange rate used to determine the amount of your investment in euros (€) will be determined by LEGRAND before the beginning of the subscription period and will be communicated to you with the subscription price. The amount in euros (€) corresponding to your investment in INR will be invested in LEGRAND shares via the FCPE. Any variation between the exchange rate determined by LEGRAND 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 LEGRAND shares will be affected by fluctuations in the exchange rate between the euro and the Indian Rupee. As a result, if the value of the euro strengthens relative to the Indian Rupee, the shares expressed in Indian Rupees will increase. On the other hand, if the euro weakens relative to the Indian Rupee, the value of the shares expressed in Indian Rupees will decrease. Thereafter, exchange rate fluctuations between the € and INR can positively or negatively impact your investment.

Maximum Subscription Amount

The maximum amount you can invest in the Offering cannot exceed 25% of your 2025 gross annual remuneration. To calculate your gross annual compensation, you should include the following:

- your salary and bonus/commission (if any), and
- any amount of variable pay (those you may regularly receive, such as car allowance, overtime, shift allowances, on-call allowances and market supplements).

Your responsibility is to ensure that your investment does not exceed the above limit.

Methods of Payment

Payment is to be made in Indian Rupees (INR). The following payment methods are available to you to subscribe to LEGRAND shares:

- Financing by your Employer of the subscription price, and/or
- Payment by you by bank transfer of the subscription price.

You can pay for your subscription using any of the above payment methods, or a combination of them. You must indicate your payment method choice in the subscription form.

If you opt to pay your subscription by bank transfer, your Employer must receive payment of the total subscription amount by April 19, 2026. Simultaneously, when making the bank transfer, please furnish the designated person in your HR department with proof of the transfer. The bank account details to which payment must be made will be communicated to you by email 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 April 2026.

Although the said financing would be interest-free, under the Income-tax Act, a notional interest would be chargeable and treated as a perquisite, taxable in your hands until repayment. If you leave employment before the loan repayment, your Employer would be entitled to deduct the unpaid contribution and costs (if any) from your payroll/salary at the time of full and final settlement.

Matching Contribution

Your Employer will provide a matching contribution equal to 100% of the amount you invest in LEGRAND shares, up to a maximum amount of € 600. The matching contribution will be invested on your behalf in LEGRAND shares at a discounted price. These shares will be issued and held on your behalf by the FCPE, together with the shares purchased with your personal contribution. The total number of FCPE units subscribed with your personal contribution and the matching contribution will equal the total amount. For the full description, please refer to the Information Brochure and the website (<https://employeeshareplan.legrandgroup.com>). Please note that subscription to the Offering implies acceptance of the matching contribution rules.

Custody of your LEGRAND shares

Your units/shares will be subscribed to and held on your behalf by a collective shareholding vehicle known as a Fonds Commun de Placement d'Entreprise (FCPE), commonly used in France for the custody of shares held by employee investors. The subscription to the LEGRAND shares will be made by the FCPE, acting on your behalf. You will be issued units of the FCPE corresponding to the shares you subscribe to, which will be held on your behalf by the FCPE. Thus, for each amount invested corresponding to the subscription price of one share, you will receive one unit of the FCPE. The units of FCPE will not be listed on a stock exchange and are not transferable to a third party. The units can be redeemed only in the manner provided herein.

Dividends

Any dividend paid on the LEGRAND shares held on your behalf by the FCPE during the 5-year lock-up period will be automatically reinvested by the FCPE. By participating in the Offering, you agree to such reinvestment of dividends. These reinvested dividends will increase the value of the FCPE units (see India Tax Note for further details). The amount of the dividend reinvested will be communicated each year. If you are unable to connect, please contact your Employer to receive the statement.

Voting rights

The FCPE Supervisory Board will exercise the voting rights on the LEGRAND shares.

Currency Exchange Control

All Indian resident individuals, either employees or executive directors of Legrand India, are permitted to acquire foreign securities under ESOP (Employee Stock Ownership Plan) or other employee benefit schemes without any monetary limit. However, the maximum subscription amount per employee under the Offering is stated above.

Please note that your participation in the Offering must comply with the 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 Scheme¹ (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. If it is found that such remittance has led to a violation of the prescribed limit, i.e., USD 250,000 per the tax year (or otherwise), you will bring the excess funds back to India and shall, *suo motu*, apply for compounding.

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

Subject to the terms and conditions of the Offering, you may transfer the foreign securities by way of sale, provided the proceeds are repatriated immediately upon receipt and, in any case, not later than 180 days from the date of the sale of such securities. All remittances you make under the Offering shall be subject to all the applicable Indian foreign exchange control laws and regulations in force.

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 delay payment of your proceeds. Since your capital gain from the Offering may be affected by the foreign exchange rate between the Indian rupee and the euro, your proceeds in Indian rupees may be materially affected by fluctuations in that rate arising from such payment delay.

Please refer to the tax supplement (Part B) for the applicability of the tax collected at source (“TCS”). TCS will apply if your international/overseas transfers (including those under the Offering) under the LRS exceed INR 1,000,000 for the tax year 2026-27.

Securities Notices

This document and the offer are addressed only to LEGRAND group employees eligible to participate in the Offering. No Indian securities law or other filing or reporting requirements apply to the Offering.

Settlement-delivery

The date of settlement-delivery of the FCPE Units is May 12, 2026.

Redemption

Your investment will become available for redemption on the expiration of the 5-year lock-up period (please see Section “*Lock-up period*” below), i.e., on May 12, 2031, inclusive (or earlier in the case of an early exit event, please see Section “*Early exit events*” below). At the end of the said period, the FCPE will

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

inform you directly that the mandatory holding period has expired. You will have the choice to either keep or redeem your investment.

Lock-up Period and Early Exit Events

Considering the benefits granted under the Offering, the subscribed LEGRAND shares are subject to a five-year (5) lock-up period (ending on May 12, 2031), subject to certain early-exit exceptions currently permitted under French law. The exceptions are:

1. marriage of the employee,
2. birth of a child or child's adoption, 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 particular 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,
10. bankruptcy,
11. use of proceeds for energy-efficiency renovation work on the principal residence, and
12. use of proceeds for the purchase of an electric and/or hydrogen-powered vehicle.

These early exit events are defined by French law (other than bankruptcy) and must be interpreted and applied consistently with French law.

Employees (or their executors) must present a request for redemption to their Employer or the FCPE, as the case may be, together with relevant supporting documentation of the event within six months after the occurrence of such event, except in the event of death, disability, domestic violence or termination of the employment contract. In these cases, no time restriction applies. In the event of death, the employee's nominee, as recorded with the Employer under the statutory regulations (PF *et al*), will be entitled to request the redemption.

Each early redemption case can only allow one early exit. Early redemption shall take place in the form of a single payment that, at the employee's choice, shall relate to all or some of the assets that may be redeemed. Please refer to the FCPE's key information document (KID) to calculate the exit price.

You should not conclude that an early exit event is available unless you have explained your specific case (by providing requisite supporting documentation) and your Employer has confirmed that it applies to your situation. If you submit an early exit request, the Service Provider will execute your request after being validated by your Employer 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 required tax or social charges.

Please contact your HR department for further information on early exit cases and redemption procedures.

Labour Law Disclaimer

Please note that this Offering is provided to you by the French company LEGRAND, not your local Employer.

Nothing contained in this document or any other materials distributed or made available to you in connection with this Offering shall confer upon you any rights or entitlement concerning your employment. Your decision whether or not to participate in this offer is entirely voluntary and personal. The Offering is discretionary, and participation in the Offering is separate from and does not form part of your employment.

The launch of the present Offering is at LEGRAND's discretion. It does not constitute a right granted, and participation in this offer in no way confers any right to participate in similar transactions. LEGRAND is not obligated to launch new offers in subsequent years.

The Offering does not form part of your employment agreement and does not amend or supplement such agreement. Benefits or payments you may receive or be eligible for under the Offering will not be considered in determining the amount of any future benefits, payments or other entitlements that may be due to you (including in employment termination cases).

Change of Date or Cancellation

Please note that the dates provided in the documentation relative to the Offering are indicative and may be changed at any time by LEGRAND. Furthermore, LEGRAND may cancel the Offering plan at its discretion.

Important Information

- The Offering is reserved for eligible employees of the LEGRAND group. The securities offered for sale in the Offering have not been recommended by any governmental securities commission or regulatory authority, nor have any authority confirmed the accuracy or determined the adequacy of this document or other materials being distributed or made available to you in connection with the Offering.
- In most countries, participating in the Offering will have tax consequences for the participant. Although a general tax summary is provided in the Country Supplement for India, neither LEGRAND nor your Employer provides any tax advice. Therefore, you should consult your tax advisor for advice regarding the tax consequences of participating in the Offering.
- Furthermore, neither LEGRAND nor your Employer is giving investment advice concerning the Offering.
- Investing is a personal decision that considers your financial resources, investment goals, individual tax situation, and other investment alternatives. In this regard, you are encouraged to diversify your investment portfolio to ensure the risk you assume is not unduly concentrated in any single investment.

- Your decision to participate in the Offering is entirely personal and voluntary.
- Your decision will not affect your employment within the LEGRAND group, either positively or negatively. Nothing contained in this document or any other materials distributed or made available to you connected with this Offering plan shall confer any right or entitlement respecting your employment. Participating in the Offering is separate from and does not form part of your employment agreement.

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PART – B

Tax Summary for Employees Resident, Ordinarily Resident & Domiciled in India

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 February 15, 2026 (For purposes of this summary, the tax proposals contained in the interim Union Budget 2026 have been considered. Please consult with your tax advisors.) 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 LEGRAND S.A. nor your Employer provides you with any personal guidance or tax advice concerning the Offering. Employees should consult their tax advisors regarding the consequences of acquiring LEGRAND shares in the Offering. 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 of this information.

This tax note should be read in conjunction with other materials distributed to you and made available on the dedicated website at <https://employeehareplan.legrandgroup.com>. Please note that the new TCS (tax collected at source) provisions described below apply to persons who have made outward remittances from India exceeding INR 1,000,000 during the tax year 2026-27.

UPON SUBSCRIPTION

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

A. Taxation in France

You will not be subject to taxation in France upon the subscription of LEGRAND shares through the “RELAIS ACTION 2026” FCPE or “ACTIONS LEGRAND 2026” FCPE. No tax will be levied in France on the dividends received by the FCPE. Any gains realised upon your investment are not subject to taxation or social charges in France.

B. Taxation in India

Are there any Tax or Social Security Charges Payable at Subscription, and will the discount be subject to tax and/or Social Security charges?

The share price discount available at the time of subscription will be subject to tax as a perquisite in your hands. Therefore, for the tax year 2026-2027, 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(1) of the Income-tax Act, 2025.

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

- (i) *the “fair market value” of LEGRAND 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.*

Consequently, a share valuation certificate issued by a Category I Merchant Banker will be required to determine the “fair market value” (“FMV”) of the LEGRAND shares, and the difference between the subscription price paid by you and such FMV will be treated as perquisite income taxed at the applicable tax rate. While determining the FMV, the merchant banker will consider the listed price of the LEGRAND 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 LEGRAND shares are offered at a 20% discount, the discount on the FMV of LEGRAND shares would be treated as a perquisite under section 17 of the Income-tax Act, 2025, 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”*).

<i>Illustration:</i>	
<i>Fair Market value of one LEGRAND share</i>	<i>Rs. 100</i>
<i>Subscription price paid by you (after 20% discount)</i>	<i>Rs. 80</i>
<i>Discount</i>	<i>Rs. 20</i>
<i>The discount of Rs. 20 will be treated as “Perquisite” income and added to your taxable salary.</i>	

Your Employer will not incur any tax liability in connection with your purchase of LEGRAND shares. However, your Employer will withhold tax as per the applicable slab rates (and applicable tax regime) from you and remit such taxes withheld to the tax authorities. In addition, wherever applicable, your Employer may be required to collect the Tax Collected at Source (“TCS”) from you on remittances made under the Liberalised Remittance Scheme² (“LRS”) and deposit the tax with the tax authorities³.

Please note that TCS on LRS applies to all outward remittances under LRS exceeding INR 1,000,000 (one million) per person per tax year. Effective April 1, 2026, the applicable TCS rate is 20% on the portion of remittances above INR 1,000,000 (one million). If your total remittances under the LRS in the tax year 2026-27 (together with the remittance under the Offering) do not exceed INR 1,000,000 (one million), you will not be subjected to the TCS. However, if your remittances exceed INR 1,000,000 (one million) and TCS applies, TCS will be collected/recovered by your Employer from your May 2026 payroll (in a single instalment) and deposited with the tax authorities (through the Authorised Dealer/banker (AD), appearing as a credit in your Form 168 (formerly Form 26AS).

² Under the LRS scheme, a resident person can remit funds outside India up to US\$ 250,000 without prior permission from RBI for the tax year from 1st April to 31st March. This scheme is available only to individuals.

³ From April 1, 2026, the Tax Collection at Source (TCS) for outward foreign remittance under LRS (for purposes other than education or medical treatment) is 20% (beyond the threshold of Rs. 1,000,000). Employers must seek guidance from the bank on the implementation and recovery mechanism.

The TCS collected can be applied to your actual overall tax liability, payable at the end of the year⁴. If you have no such tax liability, you can claim a refund at the end of the year. The Employer will not bear these taxes. Please consult your tax advisor.

When subscribing through the FCPE, you would not incur any social tax consequences.

If your Employer finances the subscription price, the notional interest rate will be treated as a perquisite and will be taxable in your hands. Therefore, the perquisite value arising from an interest-free/concessional loan would be taxable, and your Employer would be required to withhold tax thereon at the applicable rate.

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.

Taxation of Matching Contribution

In the hands of the Employees

Your Employer will offer the Employer matching contribution in the form of a payment made by the Employer to LEGRAND on behalf of the participating employee. This payment will be used to buy discounted shares for the employees in the Offering. The matching contribution will be treated as a “*perquisite*” income and taxable in your hands as ordinary (salary) income. Therefore, for the tax year 2026-2027, the difference between the purchase price paid by you (*in this case, zero*) and the FMV of the matching LEGRAND shares on the allotment date will be treated as perquisite income and taxable in your hands under section 17(1) of the Income-tax Act, 2025.

Taxation will occur upon receipt or delivery of the matching contribution in the form of free LEGRAND shares issued in the form of units.

Employer will withhold tax at the rate applicable to you and remit the withheld tax to the tax authorities. 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 heading ‘Upon Redemption’*).

<i>Illustration:</i>	
<i>Fair Market value of one LEGRAND share</i>	<i>Rs. 100</i>
<i>Subscription price paid by you</i>	<i>Rs. 0</i>
<i>Discount</i>	<i>Rs. 100</i>
<i>The amount of Rs. 100 will be treated as “Perquisite” income and added to your taxable salary.</i>	

In the hands of the Employer:

There will be no liability on the Employer to pay tax.

There are no social security taxes or other charges payable, aside from income tax.

⁴ 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.

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

Under section 17(1)(d) of the Income-tax Act, 2025, read with the provisions of the Income-tax Rules, 2026, a perquisite includes the value of any benefit or amenity granted or provided free of cost or at a concessional rate. Under the Income-tax Rules an interest-free loan or a 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 a 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 using the maximum outstanding monthly balance method. However, no perquisite value will be charged if the loan amount is less than INR 200,000 in the aggregate.

Under the Income-tax Rules, the value of the benefit to the employee resulting from the interest-free or concessional loan (above INR 200,000) 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 tax 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 INR 200,000.

The rate charged by the State Bank of India for this type of loan is 14.10% per annum (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 arising from an interest-free/concessional loan would be taxable in your hands, the Employer would withhold tax thereon at the appropriate rate.

There would be no social security tax consequences for you in case of financing by the Employer.

Illustration:

1. Sameer took a loan of Rs. 180,000 from his Employer on April 1, 2026, to subscribe to LEGRAND shares. Therefore, no amount is taxable as the loan amount is less than Rs. 200,000 (provided this loan (or other outstanding interest-free loans) does not exceed, in the aggregate, Rs. 200,000).
2. Sameer took a loan of Rs. 300,000 from his Employer on April 1, 2026, to subscribe to LEGRAND shares. The loan is repayable by way of monthly payroll deductions over 12 months. The perquisite is not exempt from tax because the loan amount exceeds Rs. 200,000.

Perquisite calculation: The perquisite value for the year 2026-2027 is calculated as follows:

On April 1, 2026, Sameer received an interest-free personal loan of Rs. 300,000, repayable in twelve (12) instalments to his Employer. The repayment is made by payroll deduction on the last day of each month, with the first loan instalment due on April 30, 2026. The SBI interest rate, as of April 1, 2026, is assumed to be 14.10% per annum.

Interest-Free/concessional Loan to Sameer - Valuation of Perquisite - Tax Year 2026-27		
SBI Interest as of 01.04.2026		14.10% ⁵
Actual Interest Charged by Employer (in Rs.)		0
Loan Outstanding on 01.04.2026		300,000
Monthly Repayment instalment		25,000
Month	Maximum amount outstanding on the Last day of the Month	Perquisite Value⁶ (Interest as per SBI rate)
Apr-26	275,000	3,231
May-26	250,000	2,938
Jun-26	225,000	2,644
Jul-26	200,000	2,350
Aug-26	175,000	2,056
Sep-26	150,000	1,763
Oct-26	125,000	1,469
Nov-26	100,000	1,175
Dec-26	75,000	881
Jan-27	50,000	588
Feb-27	25,000	294
Mar-27	0	0
Total Interest / Perquisite Value		19,388
Less: Loan Recovered		0
Valuation of Perquisite		19,388

As of March 31, 2027, the perquisite value would be added to Sameer's income for the tax year 2026-27 and taxed for tax purposes.

Will I be required to pay any tax or social security charges on dividends?

Any dividends distributed by LEGRAND will be automatically reinvested by the FCPE "LEGRAND" in LEGRAND shares (purchased on the market) and will increase the value of the FCPE units. Therefore, you will not receive dividends in cash.

(i) Taxation in France

No withholding tax will be levied in France in the absence of (direct) distribution of the dividends received from LEGRAND to employees. Provided your investment will be held through the FCPE, and such FCPE reinvests any dividends that LEGRAND SA may distribute, you will not be subject to tax or social charges in France.

⁵ SBI rate of interest (provisional) as on 1st April 2026 (for Personal Loan). To be reconfirmed by the Employer with the bank. Employer must also confirm the SBI rate of interest as of 1st April 2026 for FY 2026-27.

⁶ Perquisite value = Maximum Outstanding Monthly Balance (Closing Balance) x 14.10% / 12.

(ii) Taxation in India

Since the FCPE will reinvest dividends in LEGRAND shares (purchased on the market, thus increasing the value of your investment), such reinvested dividends would be taxable in your hands⁷. There is no monetary threshold for dividends on which no tax is payable.

(a) Nature of the tax (e.g., income, capital gains, etc.)

You will be liable to pay income tax under the head “***Income from Other Sources***”.

(b) Method by which the taxable amount is to be calculated

Since the tax incidence is on the distribution of dividends, any dividend declared or distributed by LEGRAND would be taxable in your hands under the head “***Income from Other Sources***”. This income will be added to your other income, and the total income, including the dividend, will be taxed accordingly. 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 units/shares. Such reporting is necessary (irrespective of the value) on the tax return using the appropriate ITR form (ITR-2). *For further details, please refer to Section – Reporting Obligations.*

Since the dividend is declared (and reinvested) in €, you must convert the value of dividends into INR 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.

(c) Rate of taxation

The tax rate would depend on your total income, including dividend income. It would be taxed at progressive slab-wise rates (and applicable tax regime) up to 30%, plus applicable surcharge & health & education cess. Please note that the maximum surcharge on dividend income for individuals is capped at 15% (*this cap applies specifically under the new tax regime*). Please refer to the table under the Section “***Upon Redemption***” for tax rates. For instance, if you fall in the 30% tax slab, such a dividend will also be taxed at 30%, along with applicable surcharge & health & education cess, as appropriate.

UPON REDEMPTION***Are any Tax or Social Security Charges Payable upon Redemption or Sale of your LEGRAND 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 subject 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.

⁷ Under Indian tax laws, a person is deemed to have received the dividend upon distribution. Please consult your tax advisor.

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 units/shares will be treated as capital gain or loss. Under the Income-tax Act, 2025, any profits or gains arising from transferring a capital asset (herein redemption or sale of units/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 units/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 units/shares.

What is the Method to Calculate the Taxable Amount?

Capital Gain is calculated as the difference between the sale consideration⁸ at redemption/sale and the FMV of LEGRAND shares at the time of subscription, and any expenditure incurred wholly and exclusively in connection with the transfer of the shares. Thus, if the selling price exceeds 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 results in 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 123 (formerly 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.

Since the redemption will be in €, you must convert the redemption value into INR by multiplying the redemption 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 redemption takes place.

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/transfer of all LEGRAND shares	X
FMV of shares at subscription as the cost of acquisition ⁹	Y
FMV of free matching LEGRAND shares	Y1
Reinvested value of dividends	Y2
Expenditure incurred in connection with the redemption/sale of shares (such as brokerage, custody fees, bank charges and other transaction charges)	Y3
Capital Gain (Z) =	X – (Y+Y1+Y2+Y3)

Since LEGRAND shares are not listed on an Indian stock exchange, 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 to the sale date.

⁸ 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/switch into Rs.

⁹ The fair market value of shares at the time of subscription will be considered as the ‘cost of acquisition’.

Illustration:

1. Sameer is a salaried employee of Legrand India. In April 2026, he subscribed to LEGRAND shares. Sameer redeemed/sold all shares at the end of the lock-up period in May 2031. Since the holding period for LEGRAND shares exceeds 24 months, the shares would be treated as long-term capital assets, and any capital gain would be taxed as long-term capital gains.
2. Sameer is a salaried employee of Legrand India. In April 2026, he subscribed to LEGRAND shares. Due to an early exit case, Sameer sold the shares in November 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.

Further details on the tax rates for long- and short-term capital gains are provided below.

Rate of Taxation

Long-term and short-term capital gains are taxed differently.

- **Long-term capital gain:** The current applicable tax rate for long-term capital gains is 12.5% (without any indexation benefit), plus the applicable surcharge and the health and education cess.
- **Short-term capital gain:** 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 LEGRAND's shares in April 2026, whose fair market value (FMV) was Rs. 150,000 (i.e., the FMV of the shares subscribed through his contribution and the matching shares received). Sameer sold all the shares at the end of the lock-up period in May 2031 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 (April 2026) = **Rs. 150,000**

- Sale price of shares (May 2031) = **Rs. 330,000**

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

Sale Value – FMV of shares at subscription as cost of acquisition = 330,000 – 150,000 = Rs. 180,000.

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

B. Short-Term Capital Gains

Sameer is a salaried employee of Legrand India. In April 2026, he subscribed to LEGRAND shares. Due to an early exit case, Sameer sold the shares in November 2027, i.e., after holding them for less than 24 months. Hence, LEGRAND 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 at the applicable slab rates, plus the applicable surcharge and the 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 2025. If an individual's income exceeds the minimum threshold (the basic exemption limit), the tax is assessed under the slab system.

INCOME TAX SLABS & RATES FOR THE TAX YEAR 2026-27

(Individuals less than 60 years)

Effective from the 2020-21 tax year, the government announced an alternative method of levying taxes, allowing individual taxpayers to choose between the **old** and **new concessional** tax regimes. The old tax regime allowed taxpayers to continue to claim existing tax exemptions, such as the house rent allowance, leave travel allowance, and deductions under various sections of the Income-tax Act¹⁰. 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 Act¹¹. The law proposes that the new tax regime is the default, with the option for assesseees to choose the old regime. The new tax regime has introduced more tax slabs and raised the tax exemption limit. The comparison of the **Old Tax Regime** (taxpayers aged less than 60 years) vs **New Tax Regime** slab rates for tax year 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 80 and above) 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.

¹⁰ The tax rates and slabs under the optional old regime remain unchanged in the tax year 2026-27. 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 choice between two regimes may vary from person to person. It is advisable to conduct a comparative evaluation and analysis under both regimes, then choose the one that meets the requirements.

¹¹ 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's education allowance, other special allowances, standard deduction, professional tax, interest on housing loan and other deductions.

6. The surcharge rate is capped at 15% for long-term capital gains, short-term capital gains under section 196 and dividend income.
7. The following are the thresholds, the rates of surcharge, and the 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 and 10 million	10% / 34.32% (MMR)	10% / 34.32% (MMR)
Between Rs. 10 and 20 million	15% / 35.88% (MMR)	15% / 35.88% (MMR)
Between Rs. 20 and 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, whereas it is Rs. 50,000 under the old regime.
9. The new tax regime has been set as the default personal tax structure, though taxpayers can still opt for the old 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 2026-27, just as they did in the previous tax year.
10. From April 1, 2026, 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 under section 156 of the Income-tax Act, 2025, 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 156 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 tax year in which the disposal or redemption occurs.

Do you have Reporting Obligations concerning the Subscription, Holding, Redemption of LEGRAND shares and receipt of Dividends?

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

Tax Reporting in your Income Tax Return (“ITR”)

Under Indian tax law, resident taxpayers are required to disclose all foreign assets held at any time during the relevant tax year in their income tax return. Accordingly, when filing your return in Form ITR-2¹², you

¹² Under the (draft) Income-tax Rules, 2026, employees must use **Form ITR-2**. An individual must file ITR-2 if they have: (1) dividend income from ESOP/RSU or shares of foreign companies, (2) income from any foreign asset, which includes foreign bank accounts, foreign stocks, RSUs, ESOPs or any other asset requiring disclosure in Schedule FA, and (3) does not have any Business Income. The new Form ITR-2 has not yet been notified; hence, references to schedules in ITR-2 are based on the Form for the tax year 2025-26.

must report the LEGRAND S.A. shares/units you hold, along with any foreign-sourced income earned from them. This reporting obligation applies irrespective of the value of the assets or income received from them.

In addition to disclosing the value or cost of the LEGRAND shares, you are required to report the income earned (in INR) from such shares, the nature of the income, and the head of income under which it is offered to tax.

You must provide details of these foreign assets in **Schedule FA** (Details of Foreign Assets and Income from any source outside India) of the ITR form. You are also required to complete Schedule **Foreign Source Income (FSI)**, **Schedule AL**¹³, and **Schedule Tax Relief (TR)**, as applicable. These schedules require disclosures such as:

- Taxpayer identification number in the foreign jurisdiction (if applicable)
- Type and amount of foreign income earned
- Foreign taxes paid, if any
- Indian tax payable on such income

When reporting foreign investments and securities for tax purposes in India, specific disclosure requirements apply. Such investments are classified as “any other capital asset held” and must be reported in Table D of Schedule FA in Form ITR-2. The value of these assets must be disclosed in Indian Rupees, converted from the foreign currency using the prescribed exchange rate.

Dividends received from foreign shares are taxable in India as “*Income from Other Sources*” in the year in which they are paid. This taxability applies regardless of whether the dividend is remitted to India or reinvested abroad.

Form ITR-2 requires resident taxpayers to disclose all foreign assets held at any time during the relevant calendar year. For this purpose, the accounting period followed by the foreign jurisdiction (typically the calendar year) is treated as the reporting period. For example, when filing the ITR for tax year 2026–27, you must report all foreign assets held between January 1, 2026 and December 31, 2026, since most foreign jurisdictions follow the calendar year rather than India’s April 1–March 31 tax year. Accordingly, if you acquired foreign shares in December 2026, they must still be reported in Schedule FA for the 2026–27 tax year. Conversely, foreign shares or other assets acquired between January 2027 and March 2027 will not be reported in the current year’s return but must be disclosed in the tax year 2027–28.

Given the detailed nature of foreign asset reporting, you should consult your tax advisor to ensure full compliance with the applicable disclosure requirements.

Who Is Required to Complete the Foreign Asset (FA) Schedule in the Income-Tax Return?

Any individual who qualifies as a tax resident of India during the relevant tax year and holds foreign assets, maintains foreign bank accounts, or earns foreign-sourced income at any time during that year is required to complete Schedule FA in the income-tax return. This obligation applies irrespective of the individual’s income level or the tax slab. Even if your total income is below the basic exemption limit, you must file an ITR if you hold any foreign assets during the tax year.

Employees resident in India must therefore report all foreign assets held as on December 31 2026, even in the following situations:

¹³ *Schedule AL - Assets and Liabilities at the end of the year (applicable in a case where the total income exceeds Rs. 10 million)*

- You have no taxable income, or your income falls within the basic exemption limit (even if similar information is disclosed in other schedules such as Schedule AL).
- The foreign asset was acquired using fully disclosed foreign or domestic income sources.

Failure to disclose foreign assets in Schedule FA may result in penalties under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015. Similarly, failure to report taxable foreign income may also attract penalties.

Format of declaration in Form ITR-2 when you invest in shares in Legrand S.A.¹⁴:

Details of any other capital asset held (Including any beneficial interest) at any time during the calendar year ending as on December 31, 2026											
S N	Country Name and Code	Zip Code	Nature of Asset	Ownership-Direct/Beneficial Owner/Beneficiary	Date of Acquisition ¹⁵	Total investment (at cost) (in Rs) ¹⁶	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 Legrand S.A. under an ESOP scheme	Beneficial owner	May 12, 2026. (If you hold shares under other ESOP plans, please insert the relevant details separately.) Please consult a tax advisor.	(See Footnote 16)	NIL (if there is no sale from April 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 C1 6, in proportion to the shares sold. Please consult a tax advisor.	NIL. Please fill in only for the sale of shares, and choose between long-term and short-term capital gains based on the holding period. Please consult a tax advisor.	NIL (if there is no sale of units during CY 2026. Please fill in the capital gains income (taxable) only in case of the sale of units ¹⁷ . Sales that happened during the period Jan to March 27 should not be reflected in C1 9, while the same is required to be reflected in C1 No 7 of this table. 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. Please consult a tax advisor.	NIL. Please write 'Schedule CG' only in the case of unit sales. Sales that happened during the period Jan to March 27 should not be reflected in this CI.	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 units and a long-term capital gain (in the case of short-term, please fill the A5 schedule in the Capital Gains section. The sale that happened during the period Jan to March 27 should not be reflected in CI.
If you earn dividend income											
1	France FR		Shares in Legrand S.A. under an ESOP scheme	Beneficial owner		Value of the dividend reinvested in Rs. (if applicable). See Footnote	NIL (if no dividend has accrued or is received from April 2026 to Dec 2026) under the 2026 Offering. If you earn dividend income	Dividends – "Income from other sources".	Amount of Dividend accrued and received, if any. Please see Footnote 18.	NIL	NIL.

¹⁴ 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.**

¹⁵ Insert the date of allotment of shares

¹⁶ Please insert your (Rs.) purchase cost of Legrand shares (FMV of shares) (+) 20% discount you received at subscription (in Rs.) plus the (INR) amount of the employer matching contribution. [= Multiply FMV of Legrand shares in € at subscription (reference price) * number of shares allotted to you (refer to the BNP Paribas portal) * the foreign exchange rate between the Euro and Rs. fixed by Legrand].

¹⁷ Please insert the capital gains (long-term or short-term) earned, i.e., column 7 minus (-) column 6.

						18 ¹⁸ . Please consult a tax advisor.	(accrued or received) under other ESOP plans (or received in the following years), please see Footnote 18 and consult a tax advisor.				
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* Disclosure in this schedule is mandatory until you receive income/redeem the shares.

You are also required to complete Schedule AL in Form ITR-2, which mandates disclosure of all assets and liabilities held by a taxpayer as of the end of the relevant tax year. Filing Schedule AL is compulsory for individuals whose total income exceeds INR 10 million (after all deductions) and who have not engaged in any business or profession during the year. Individuals with total income below INR 10 million are not required to complete this schedule.

Repatriation of Sale Proceeds to India upon Redemption

Subject to the terms of the Offering, you may request redemption of the units acquired under the plan. However, all proceeds from such redemption must be repatriated to India by resident employees within 180 days of the redemption date.

Under Indian foreign exchange regulations, a person resident in India to whom any foreign exchange becomes due or receivable must take all reasonable steps to realise and repatriate such foreign exchange to India. Upon realisation, the proceeds must be brought into India either by:

- transferring or receiving the funds in India, or
- selling the foreign exchange to an authorised dealer in India in exchange for Indian Rupees.

A person is considered to have repatriated foreign exchange when they receive payment in Indian Rupees in India from the account of a foreign bank or exchange house maintained with an authorised dealer in India.

The income arising from the redemption of shares must be reported in your income-tax return and will be taxable at the applicable slab rates, along with 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, 2025, 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 the Forms 130 and 123 (formerly Forms 16 and 12BA) issued by the Employer annually after the tax 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) in which shares or interests under the Offering are acquired or transferred. Such reporting must be filed through its authorised dealer, including details of remittances, share repurchases, beneficiaries, and other relevant

¹⁸ 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.

information. In addition, the Indian participating entities must file such reporting during the duration of the Offering.

What is the Time and method of Payment of Tax?

Any share price discount available at the time of subscription will be treated as a taxable perquisite in your hands. Your Employer will withhold tax at the rate applicable to you and remit the tax to the authorities in accordance with the law.

You are personally responsible for paying tax on dividend income and capital gains, as your Employer is not required to withhold or deposit tax on these amounts. Such taxes must be paid by you when filing your income-tax return for each tax year, within the timelines prescribed under the Income-tax Act, 2025.

Advance tax is payable in instalments. For the 2026–27 tax year, the due dates are June 15, September 15, December 15, and March 15. Advance tax rules require that your estimated annual tax liability be paid progressively during the year. While your Employer will deduct tax at source on the perquisite at subscription/purchase, you may still be required to pay advance tax if you earn dividends or realise capital gains.

By March 15, 100% of your total tax liability for the year must be discharged. Non-payment or delayed payment of advance tax may attract penal interest. However, where capital gains arise later in the year, it may not be feasible to estimate them in earlier instalments. In such cases, no penal interest is levied for shortfall in the earlier instalments, provided the advance tax payable on capital gains is included in the subsequent instalment(s) after the sale of shares.

You should consult your tax advisor to understand the specific tax implications applicable to your situation.

* * *

This summary is given for informational purposes only and should not be relied upon as being either complete or conclusive. For definitive advice, employees should consult their own tax advisors regarding the tax consequences of participating in the Offering.