**CHINA**

**Social security and Personal Income Tax Information**

You have been invited to invest in shares of Airbus SE in the context of the **2021 Airbus Employee Share Ownership Plan (2021 ESOP).**

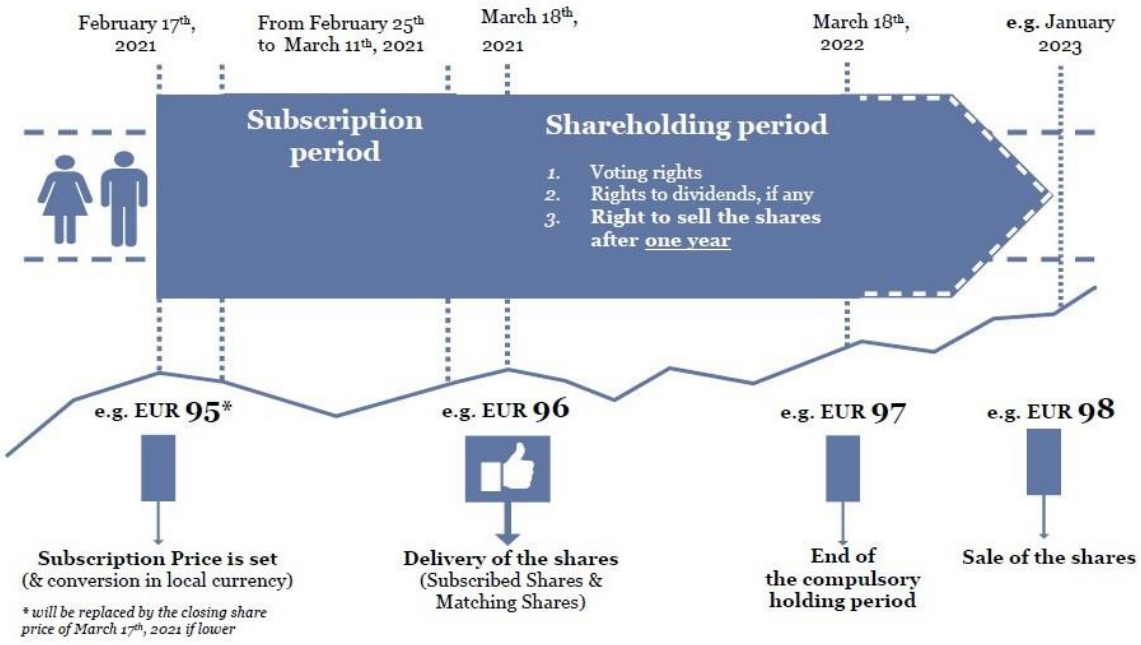
The purpose of this document is to provide to you an overview of individual income tax and social security consequences in China arising from your participation in the **2021 ESOP.**

The tax and social security implications described below apply to you if at all times:

- You are subject to individual income tax in China; and
- You perform your professional activity exclusively in China; and
- You are subject to the mandatory State social security scheme of China; and
- You are a non-American citizen.

The information set forth below is based on the individual income tax and social security laws in force in **December 2020** in China. Please keep in mind that the rules may change and affect the individual income tax and/or social security treatment described below. This note is provided to you for information purposes only. It is not relevant if you are in an international mobility situation.

## Illustration




*This scheme is an illustration only and is not intended to predict the market value of the Airbus Share in the future.*

**IMPORTANT**

**Share price evolution on the stock market is unpredictable. When making your decision please remember that the price of Airbus shares can go up or down. Airbus cannot provide you with any financial/tax advice. If you are in any doubt about whether to participate in the 2021 ESOP you should speak to an independent financial/tax advisor.**

## 1. Taxation at the time of subscription of Airbus shares

In 2021 ESOP, you pay the subscription price for a number of Airbus shares (Subscription Shares) and receive additional Airbus shares (Matching Shares) for free thereby reducing their acquisition cost.

A taxable benefit equals to the difference between (x) market value of shares received (Subscription Shares and Matching Shares) and (y) the subscription price paid by you as recorded at the time of subscription:

*Taxable benefit = market value of the share x total number of shares received - price you paid in total for your purchase*

For tax purposes, the market value is the closing price of Airbus SE share on Euronext Paris on the date of the capital increase to take place on March 18th, 2021.

This benefit is considered employment income and subject to tax at progressive rates currently ranging **from 3% to 45%**. Your employer will notify you of the local social security contribution implications (if any).

The amount of the tax and social security contributions (if any) owed by you **will be withheld by your employer** from your salary.

No individual reporting is required on your side, unless you need to make any adjustment, report and/or declaration through the Annual Reconciliation Filing to be submitted between March 1st and June 30th of the following tax year (i.e., in 2022).

## 2. Taxation during the holding of your Airbus shares

You are required to hold your shares for a period of at least **one year**. As long as you will continue to hold your Airbus shares, you will be taxable with respect to dividends if any are distributed by Airbus SE.

Dividends will be subject to a dividend withholding tax in the Netherlands and will then be taxable in your country.

### a. Taxation of dividends in the Netherlands

Under Dutch domestic law, dividends paid by Airbus will be subject to a withholding tax in the Netherlands at the time the dividend is declared by the general meeting of shareholders. The rate of the Dutch dividend withholding tax is 15%.

A supporting document (Tax Voucher) evidencing the payment of Dutch withholding tax is made available each year on SHARINBOX –Société Générale website.

### b. Taxation of dividends in China

Under Chinese individual income tax law, dividends are taxed at the **flat rate of 20%**.

In principle, **tax credit should be available** for the withholding tax paid in the Netherlands.

In practice, **your employer will be required to withhold the individual income tax** from the dividend income in order to comply with the existing foreign exchange restrictions in China.

**You have the self-declaration obligation** to report the dividend income derived from outside China to the Chinese tax authority through Annual Reconciliation Filing to be submitted between March 1st and June 30th of the following tax year.

## 3. Taxation at sale of your Airbus shares

You will not be able to sell or transfer the shares acquired under the 2021 ESOP for a **period of one year**. In practice, you will be able to sell your shares **from March 19th, 2022**. End of the holding is not a taxable event.

Taxation will take place at the time of sale of your shares, if you make a capital gain. In case of capital loss, it will be considered personal loss and cannot be used to offset other taxable income from China individual income tax perspective.

The capital gain is equal to the difference between the gross sale proceeds on the date of the sale and the cost basis of the shares minus the transaction costs (e.g. broker's fees).

*Taxable benefit = sale proceeds – the value of shares received for which individual income tax has been paid – broker's commissions*

The capital gain is taxed at the **flat rate of 20%.**

In practice, **your employer will be required to withhold the individual income tax** from the sale proceeds in order to comply with the existing foreign exchange restrictions in China.

**You have the self-declaration obligation** to report the capital gain derived from outside China to the Chinese tax authority and settle the individual income tax through annual reconciliation filing between March 1st and June 30th of the following tax year.

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