

India Employee Tax Guide

MyShare: Free Shares

Introduction

The following is a summary of the tax treatment of an award made to you by Anglo American plc under the MyShare: Free Shares (the "Plan"). This summary assumes that you have been resident in India during the lifecycle of the award.

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

Overview

Award

- An award is a promise to receive Anglo American plc shares in the future.
- You must accept your award at your broker.
- You are **not subject to taxation on equity** at this point.

Vesting

- The date when you receive Anglo American plc shares.
- You **are subject to taxation on equity** at this point.
- Taxable income is calculated based on the fair market value (FMV) of the shares.
- The FMV is the closing stock price of the last trading day before the vest date.
- **Anglo American plc is responsible for reporting the income.**
- You are also **responsible for reporting the income.**

Sale

- The date you sell Anglo American plc shares.
- This event may generate additional income known as Capital Gain (CG), or a loss.
- Generally speaking, Capital Gain is the growth in value from vest to sale.
- If there is a **Capital Gain** on the sale of shares, tax is due in the tax year of sale.
- You are responsible for calculating the tax and reporting this capital gain.

Will I pay tax when I am granted an award under the Plan?

You will not have to pay any tax at the time you are granted an award under the Plan.

Will I pay tax when my award vests?

When your award vests, income tax will be triggered on the market value of the shares at the time of vesting at rates of up to 39%.

What about any social taxes?

You will not be required to pay any social taxes.

Will the company withhold any taxes from awards?

Anglo American plc will deduct and withhold tax on your behalf.

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

How will any benefits under the Plan be reported?

You will need to report:

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

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

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

Any dividends you receive will be taxed at rates up to 35.88%.

Dividend payments from foreign as well as Indian companies are included in an individual's total income and are charged at an individual's marginal income tax rate. The enhanced surcharge rates of 25% and 37% are not levied on dividend income. As a result, the maximum surcharge rate applicable for dividend income is 15%.

In respect of dividends received from a foreign company, such dividends may be subject to tax withholding in a foreign jurisdiction. Such tax withheld may be creditable against any tax liability of an Indian resident individual in accordance with the provisions of the Income Tax Act.

Will I pay any tax when I sell my shares?

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

If the sale price of your shares is higher than their cost basis (broadly, the cost basis is equal to the fair market value of the shares at the time of vesting), the difference will be taxable as a capital gain, at a rate up to 39%. If the sale price is lower than the cost basis of the shares, you may realize a capital loss.

The tax rates payable on the sale of shares are as follows:

- long-term capital gains (being gains realised on the sale of shares held for more than 24 months) are taxed at a flat rate of 12.5% (plus applicable surcharge and cess).
- short-term capital gains (being gains realised on the sale of shares held for 24 months or less) are treated as ordinary income and taxed at progressive rates of up to 30% (plus applicable surcharge and cess).

Note:

- long-term capital gains are subject to a maximum 15% additional surcharge and short-term capital gains are subject to a maximum 25% / 37% additional surcharge under the new tax regime/old tax regime respectively;
- additionally, capital gains are subject to a combined 4% health and education cess, which is levied on the tax on capital gains as increased by the surcharge;
- a credit may be available for an Indian resident individual under the Income Tax Act 2025 for any taxes paid in a foreign jurisdiction on the sale of foreign listed shares, or for any tax withheld by the buyer in a foreign jurisdiction; and
- different time frames and rates apply to shares in unlisted Indian companies and shares listed on an Indian stock exchange. The shares of a company listed on a foreign stock exchange are treated as an unlisted company in India.

Capital Gains

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

Additional Information

Calculation of Fair Market Value for Tax Purposes

The fair market value of foreign company shares for tax purposes must be assessed by a licensed (Category 1) merchant banker in India for both private and public companies. For publicly traded companies, the merchant bank valuation may be different than the trading value at the time of taxation. This value will need to be provided to employees by the Company. The valuation is effective

for 180 days. Local advice is recommended.

Income tax rates

Income tax

Income tax is payable at progressive rates up to 30%, adjusted up to 39% under the new tax regime, or up to 42.74% under the old tax regime including the highest effective rate of the surcharge and Health and Education Cess.

The new tax regime (with no deductions/exemptions) is now the default regime, although taxpayers can elect to be taxed under the old tax regime. The new tax regime is mandatory unless an individual specifically opts for the old regime. The maximum general effective tax rate including the maximum surcharge and the Health and Education Cess is either:

- new tax regime: 39% (including the maximum surcharge capped at 25%); or
- old tax regime: 42.74% (including the maximum surcharge of 37%).

Surcharge

In addition to income tax, taxpayers must contribute a surcharge on the income tax, which is calculated as follows:

- exceeding INR 5million up to INR 10million: 10%
- exceeding INR 10million up to INR 20million: 15%
- exceeding INR 20million up to INR 50million: 25%
- exceeding INR 50million: 37% (old tax regime) or 25% (new tax regime).

Health and Education Cess

The Health and Education Cess is payable at a rate of 4% on the total income tax, plus surcharge, due.

The progressive income tax rates displayed in this summary are the rates applicable under the new tax regime and include the effective tax rates including the surcharge and 4% Health and Education Cess.

Employee annual tax return

While the general deadline for an employee to file his or her annual income tax return is July 31 of each year, the deadline may be extended to October 31 under certain circumstances. Employees should seek independent tax advice to confirm the applicable income tax return filing deadline.

Sample tax calculation

The following is an example of the tax implications upon vesting of shares and subsequent sale of shares under the Plan. This example assumes:

- You were in India the whole time from grant to vest of the MyShare: Free Shares award.
- An income tax rate of 39%.
- Capital Gains Tax of 39%.
- This example does not take into account any annual Capital Gains Tax (CGT) exemptions which may be available.
- Tax calculation is based on the currency in which the shares are traded and any subsequent currency conversion has not been applied.

Tax implications

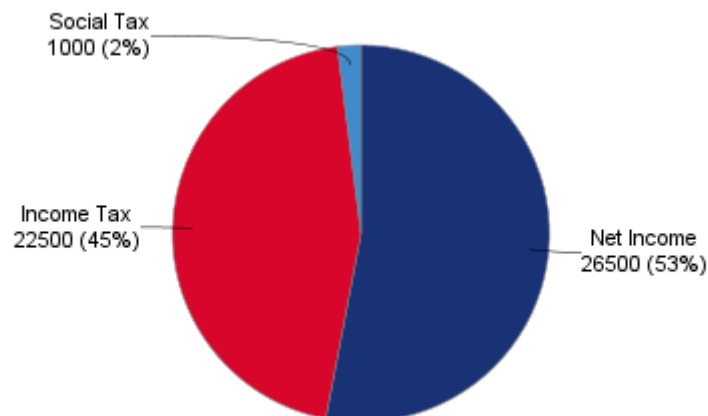
Award

No taxes due.

Vesting

Number of Shares Vested	5000
Fair Market Value (FMV) of the shares on Vesting	GBP 10
Taxable Income (5000 x GBP 10)	GBP 50,000
<u>Income Tax Withheld (GBP 50,000 x 39%)</u>	<u>GBP 19,500</u>
Net Income (GBP 50,000 - GBP 19,500)	GBP 30,500

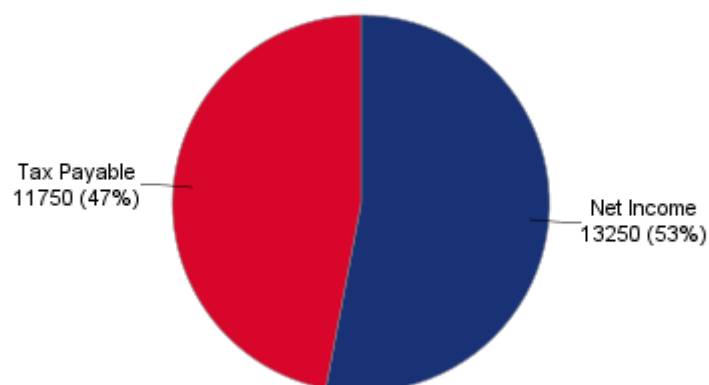
Vesting



Sale

Number of shares sold	5000
Fair Market Value (FMV) of the shares on sale	GBP 15
Sale Proceeds (5000 x GBP 15)	GBP 75,000
Less: Acquisition Costs	
Amount previously taxed	GBP 50,000
Capital Gain	GBP 25,000
<u>Tax Payable (GBP 25,000 x 39%)</u>	<u>GBP 9,750</u>
Net Income (GBP 25,000 - GBP 9,750)	GBP 15,250

Sale



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

The share price used in this example is for illustration purposes only and does not necessarily reflect Anglo American's current

share price.

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