



## Country datasheet for United Kingdom

You are eligible for the OVHcloud Group Global Incentive Plan and have been invited to invest your Global Incentive for the financial year ended on 31 August 2024 in shares of OVHcloud through the FCPE "OVHcloud Shares" ("**ESP 2024**" or "**Offer**").

This document contains local offering information and a summary of principal tax and social security consequences relating to your investment.

*This document is provided to you in addition to the documents relating to the Offer and in particular, the presentation of the Offer on the website and the Key Information Document ("KID") of the FCPE "OVHcloud Shares". For additional details, please refer to the Regulations of the International Group Savings Plan (Plan d'Epargne de Groupe International or "PEGI") of OVHcloud and to the Regulations of the FCPE "OVHcloud Shares". All documents are made available to you on the Offer website <https://esp.ovhcloud.com/>.*

*OVHcloud shares are listed on Euronext Paris. The value of your investment will depend on the value of OVHcloud shares and therefore implies a risk. Neither your employer nor OVHcloud can give you investment advice nor any guarantee as to the future price of the OVHcloud share.*

*If you do not understand the contents of the documents made available to you in the context of the Offer, the nature of the investment, or the comparative risks and benefits associated with the Offer, you should contact an authorised financial adviser.*

## Local Offer information

### ELIGIBILITY

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The Offer is reserved for employees who are eligible for the OVHcloud Global Incentive Plan with respect to the financial year ended on 31 August 2024, i.e., employees who have been employed by the group during more than 3 months at 31 August 2024, on a continuous or discontinuous basis, and who are still in employment at 1 January 2025.

If your employment terminates prior to 1 January 2025, you will no longer be entitled to the Global Incentive and your participation in ESP 2024 will be cancelled.

Participation in this offering is not obligatory and your decision to participate or not will have no impact on your employment with OVHcloud group.

### ELECTION PROCESS AND MATCHING CONTRIBUTION

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ESP 2024 allows you to invest all or part of your Global Incentive in OVHcloud shares to be held through the FCPE "OVHcloud Shares" by making an election during the Offering period which is open from 25 November to 9 December 2024.

If you elect to invest your Global Incentive in ESP 2024, you will benefit from a Matching Contribution which increases your investment in ESP 2024. The amount of the Matching Contribution is calculated in proportion to the amount of the Global Incentive that you elect to invest in ESP 2024. Please review the presentation of the Offer on the website for the details of the matching scale.

After the close of the Offering period, the total amount of your Global Incentive which you elect to invest will be paid to you in January 2025. An amount equal to the net investment amount of the portion of your Global Incentive which you elect to invest (i.e., after the deduction of income tax and social security contributions) and the gross amount of the Matching Contribution (together, the "**Aggregate Investment Amount**") will be transferred to the FCPE "OVHcloud Shares" (see below, "CUSTODY OF YOUR SHARES") in order to allow the FCPE to purchase OVHcloud Shares and issue to you the units corresponding to your Aggregate Investment Amount. This investment will be made on 15 January 2025 at the net asset value of the FCPE unit applicable on that date. Any balance of the Global Incentive will be paid to you in cash on 15 January 2025 with your salary payment via payroll.

If you want to participate in the ESP 2024, please make your election online on the dedicated website <https://esp.ovhcloud.com/>, once you have read and accepted the terms and conditions of the Offer. Otherwise, the Global Incentive will be paid to you in cash in January 2025 with your salary payment via payroll and no amount will be invested to purchase of OVHcloud Shares.

As part of ESP 2024, you will be required to enter into a restricted securities election in order for the tax treatment described in this note to apply.

### FLUCTUATION OF THE CURRENCY EXCHANGE RATE

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The amount of your Global Incentive is set in Euro and this amount in Euro will be invested in the FCPE "OVHcloud Shares". During the life of your investment, the value of your assets will be affected by fluctuations in the currency exchange rate between the Euro and your local currency. Thus, if the value of the Euro strengthens relative to the value of your local currency, the value of your assets expressed in local currency will increase. Conversely, if the value of the Euro weakens relative to the value of your local currency, the value of your assets expressed in local currency will decrease.

If you elected to invest only a portion of your Global Incentive in the ESP 2024, or if you do not participate to ESP 2024, the corresponding amount of your Global Incentive will be paid to you in January 2025 with the salary payment via payroll. For this payment, your Global Incentive will be converted into your local currency at the exchange rate published by the European Central Bank on 6 January 2025.

## CUSTODY OF YOUR SHARES

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Your OVHcloud shares will be held in the FCPE "OVHcloud Shares". An FCPE (*Fonds Commun de Placement d'Entreprise* in French) is a shareholding vehicle created under French law which allows employees to collectively hold their company shares. The FCPE will issue to you units that correspond to your investment in OVHcloud shares.

During the life of your investment, voting rights attached to shares held by the FCPE will be exercised at the General Shareholders meetings by the FCPE Supervisory Board.

Dividends accruing in respect of your shares (if any) will be distributed to the FCPE "OVHcloud Shares" and reinvested in additional shares of OVHcloud. This would result in the issuance of additional FCPE units (or fractions thereof) to you.

## HOLDING PERIOD AND EARLY RELEASE EVENTS

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Your investment in ESP 2024 is subject to a mandatory 5-year lock-up period, starting from the date of acquisition of your FCPE units, i.e., 15 January 2025. However, an early release can be requested in any of the following situations:

- ✓ Marriage or civil union agreement (\*)
- ✓ Birth or adoption of a third (or more) child provided that your household is already financially responsible for at least two children (\*)
- ✓ Divorce or separation when it is accompanied by a court decision specifying that your home is to be the sole or shared ordinary place of residence of at least one child (\*)
- ✓ Domestic violence committed against you, acknowledged or giving rise to legal proceedings
- ✓ Termination of employment agreement
- ✓ Use of invested amounts for the purpose of creation of certain type of business by you, your spouse or child(\*)
- ✓ Use of invested amounts for the purpose of acquisition or enlargement of a principal residence which includes the creation of new living space (\*)
- ✓ Your disability or disability of your spouse or child, which results in the permanent or temporary impossibility to exercise any professional activity
- ✓ Your death or death of your spouse
- ✓ Overindebtedness acknowledged by a commission of overindebtedness or a judge
- ✓ Expenses related to the energy-efficiency renovation of a principal residence (\*);
- ✓ Activity of close caregiver carried out by you, your spouse or partner in a civil union agreement;
- ✓ Purchase of a vehicle that meets one of the following two conditions: (i) motorized car, van, two, three or four-wheeled vehicle that "uses electricity, hydrogen or a combination of the two as its exclusive energy source"; or (ii) a new pedal-assist bicycle (\*)

Please note that for events marked (\*), the request for early release must be submitted within 6 months following the occurrence of the event. Release takes place in the form of a single payment, relating, at your choice, to all or a part of your assets, except for the activity of close caregiver, where release can take place in the form of a single payment once per calendar year (relating at your choice, to all or a part of your assets).

Early release events are set by French law and must be interpreted and applied in a manner consistent with French law. You may not conclude that an early release is available to you unless you have described your specific case to your employer and your employer has confirmed that it

applies to your situation. Supporting documents will be required.

## **REPORTING REQUIREMENTS IN CONNECTION WITH YOUR INVESTMENT**

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For tax reporting, please see "Tax information" below.

## **LABOR LAW DISCLAIMER**

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ESP 2024 does not form part of your employment agreement and does not amend or supplement such agreement. ESP 2024 does not constitute a right granted and participation in ESP 2024 in no way confers any right to participate in similar transactions in the future. There is no obligation for OVHcloud to launch a new plan in subsequent years.

Gains or benefits that you may receive or be eligible for under the ESP 2024 will not be taken into consideration to determine the amount of any future compensation, payments or other entitlements that may be due to you (including in cases of termination of employment).

# Tax information

*This summary sets forth general principles that are expected to apply to employees who participate to the Offer and are and remain during the whole period of their investment resident of United Kingdom for the purposes of the tax laws of United Kingdom.*

*This summary is given for informational purposes only and should not be relied upon as being either complete or conclusive. The tax treatment that applies to you may differ from the regime described below depending on your personal situation, and in particular in the case of international mobility. You are encouraged to consult your own tax advisor for definitive advice.*

*The tax consequences described below are based on tax laws and practices as applicable as in October 2024. Tax laws and practices may change over time.*

## Taxation in France

You will not be subject to tax or social security contributions in France at the time of subscription or at the time of redemption of your FCPE units. Considering that your shares will be held in the FCPE, no taxes will be applied in France on dividends if any are paid with respect to OVHcloud shares.

## Taxation in United Kingdom



### **Will I be required to pay any tax and social security contributions at the time of my election to invest my Global Incentive in ESP 2024?**

**Answer:** Yes, income tax and social security contributions will be payable on your Global Incentive and withheld by your employer.

Also, as part of ESP 2024, you will enter into a restricted securities election, in order for the following tax treatment to apply. Upfront income tax must be paid on the difference between your net investment amount and the unrestricted market value of your shares acquired with your Aggregate Investment Amount (i.e., including the amount of the Matching Contribution), based on the closing price of OVHcloud Shares on the date of their delivery (i.e., 15 January 2025).

Applicable income tax rates are 20% for basic rate taxpayers, 40% for higher rate taxpayers and 45% for additional rate taxpayers<sup>1</sup>. The taxable amount will also be subject to employees' National Insurance Contributions ("NICs") at the rate of 8% or 2%<sup>2</sup>.

Applicable income taxes and NICs will be collected through PAYE from your salary / Global Incentive.

<sup>1</sup> In Scotland, income tax is payable at your marginal rate which, for the 2024-2025 tax year, is up to 48%.

<sup>2</sup> The same NIC rates apply in Scotland.

## Will I be required to pay any tax and social contributions if I elect to receive my Global Incentive in cash?

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**Answer:** Yes, the Global Incentive will be taxable as salary as described above. Your employer will deduct and withhold the applicable taxes and social security contributions from the amount of your Global Incentive at the time of its payment.



## If dividends are distributed by OVHcloud to the FCPE during the investment period, will I be required to pay tax and social security contributions on such dividends?

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**Answer:** Yes, despite their reinvestment in the FCPE, dividends are subject to taxation as income at the time they are paid out to the FCPE.

However, you are allowed a personal dividend annual exemption of £500 per tax year.

Dividend amount in excess of this exemption is taxed at the rate of 8.75% for basic rate taxpayers, 33.75% for higher rate taxpayers and 39.35% for additional rate taxpayers.

No NICs are payable on dividends.

Applicable dividend income tax is not collected by your employer and you shall report and pay taxes on these amounts individually (please see below).



## Will I be required to pay any tax and social security contributions when I ask the redemption of my FCPE units for cash?

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**Answer:** Yes, capital gains tax will be payable on any gain on disposal (i.e. the difference between the sale price of the shares less the unrestricted market value of the shares when they were acquired).

However, you are allowed an annual personal exemption of £3,000 on capital gains.

Capital gains above that amount are generally taxed at the rate of 10% for basic rate taxpayers (increasing to 18% from 30 October 2024) and 20% for higher and additional rate taxpayers (increasing to 24% from 30 October 2024).

No NICs apply to capital gains.

Applicable capital gains tax is not collected by your employer and you shall report and pay taxes on these amounts individually (please see below).



## What are my reporting obligations with respect to the holding of my shares, receipt of dividends and redemption of FCPE units?

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Any income tax payable in respect of dividends and any capital gains tax, are payable through self-assessment.

You will need to complete a self-assessment tax return if there are any income tax or capital gains tax payable through self-assessment, or if the proceeds from a sale of shares are more than £50,000, even if no capital gains tax is payable.

If you do not normally receive a self-assessment tax return, you will need to notify HMRC.

Self-assessment tax returns must be completed by 31 January in the calendar year following the end of the relevant tax year if filing electronically, otherwise the paper tax return must be completed by 31 October in the same calendar year as the tax year end. In both cases, HMRC will calculate the tax for you.