

# Zebra Technologies Corporation

## Employees Stock Purchase Plan – U.S. Employees

**ELIGIBILITY:** All employees working 20 or more hours per week. Your date of hire must be at least one (1) month prior to the beginning of an option period.

**PLAN OVERVIEW:** The Plan enables eligible employees to purchase Zebra stock at a 5% discount, using from 1-10% of your eligible compensation.

### QUARTERLY OPTION PERIODS:

- January 1 - March 31
- April 1 - June 30
- July 1 - September 30
- October 1 - December 31

### ENROLLMENT/CANCELLATION ELECTION:

- Enroll, terminate, or change your contribution to the Plan on a quarterly basis during the enrollment period prior to the beginning of each option period.
- During an option period, you may withdraw from the Plan at any time, and accumulated contributions will be refunded. If you withdraw, you are not able to rejoin the Plan until the next option period.
- If your employment terminates during an option period, the accumulated contributions will be refunded to you. Shares already purchased during prior option periods are yours to keep and manage via your Merrill account.

### ELECTING A PERCENTAGE OF PAY:

- Contribute between 1% and 10% of your gross eligible compensation.
- Eligible compensation includes base pay, overtime, commissions and certain corporate-wide bonuses.
- Contributions are made each pay period via after-tax payroll deductions.

### PURCHASE OF SHARES:

- The lower of the Zebra stock price at the close of business on the last day of the prior option period or the last day of the current option period determines the option price.
- The lower price is discounted by 5% and shares are purchased.
- Only full shares of stock are purchased.
- Remaining monies will be carried forward to the following option period to purchase additional shares of stock.
- You cannot purchase shares in excess of \$25,000 in fair market value in any calendar year.

### MERRILL LYNCH ACCOUNT:

- Funds are managed through the online service provider, Merrill Lynch.
- Employees will need the following two accounts with Merrill Lynch:
  1. **Benefits OnLine account** – elections and withdrawals are made in this account.
  2. **Individual brokerage account** – purchased shares are transferred to this account within 5 business days following the close of the option period.

### U.S. TAX CONSEQUENCES:

- Since you contribute to the Plan on an after-tax basis, your contributions are not tax deductible, and will be included in your W-2 income.
- You pay no income tax at the time the shares are purchased.
- The income tax that you pay when you sell the shares depends on how long you have held the shares.
- Consult your personal tax advisor for information regarding the tax consequences of the Plan.

*Note: This highlight sheet is meant to be informative only; all provisions will be clearly defined in the Plan Document. If there are discrepancies between this summary and the Plan Document, the latter will govern.*

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