

## Tax Policy

### Objective

Tax matters have become one of public interest issue which impact to the company's reputation. As a leader in the energy business, Gulf Energy Development Public Company Limited (the "Company") is naturally exposed to attract the attention of tax authorities. This Tax Policy is to ensure that the Company strictly upholds principle of tax law with efficient, transparent controlling and timely manage tax risk, also with contributing a fair share of correct tax payment.

### 1. Definitions

Arm's length	Price of the remuneration, service or interest which each independent party shall set fairly in business practice, for the case of transferring assets, providing services or providing loans of the same transaction as on the date of such transferring, providing services, or providing loan.
Tax Authorities	Government entities that are authorized by law to assess, levy and collect taxes and duties.
Tax Evasion	Unlawful attempt to minimize tax liability through fraudulent techniques to circumvent or frustrate tax laws.
Transfer Pricing	Price setting for goods and services sold between related parties in compliance with Arm's length concept.

### 2. Policy Directives

#### 2.1 Tax Compliances

- a) The Company acknowledges our responsibility as a good tax payer and commits to comply with tax regulation ensuring that all tax required in compliance with the applicable tax legislation shall be paid correctly upon due.
- b) The Company and all employees commit to being transparent and shall not involve nor provide assistance in illegal Tax Evasion in any circumstances, neither for the benefit of the Company or others.
- c) All intercompany transactions shall comply with Arm's Length principle and Transfer Pricing rules.
- d) Each function holds responsibility to process taxes related to their respective transactions correctly at source.

- e) All responsible functions must retain Tax and Accounting Records according to the period prescribed by the law and Record Retention Procedure. Such records must be ready at all times upon Tax Authorities' request.

## **2.2 Tax risk management**

- a) Corporate business strategy generally has priority over tax optimization.
- b) Each initiative of optimization must be supported with genuine commercial activity based on substance-over-form basis.
- c) Identification of Tax risk or any probability of tax audit shall be advised to Accounting/Tax Department at the earliest opportunity.

## **2.3 Tax advisory**

- a) The Company shall seek tax advisory services as appropriate to ensure its tax planning and operating procedures align with the Company's business strategies and relevant laws and regulations.

## **2.4 Tax structuring**

- a) The Company is fully aware of tax risks from aggressive tax planning and will conduct careful analysis on tax structures that are not intended for tax avoidance.
- b) The business substance is one of the factors the Company shall consider in tax structuring.
- c) The Company's tax structuring shall comply with the tax laws and regulations enacted by statute.

## **2.5 Operating procedures**

- a) The Company shall develop operating procedures in line with current local tax laws and regulations in all countries where it operates.
- b) Operating procedures shall be reviewed regularly to ensure alignment with any changes in relevant tax laws and regulations.

## **3. Compliance and Consequence for Non-Compliance**

The Company and its employees commit full compliance with this policy and will ensure that appropriate resources are available and reviews are undertaken on a regular basis to ensure that the implementation and application of the policy remain robust at all times.

Any deliberate non-compliance will lead to appropriate disciplinary action including dismissal of employment and/or legal actions for damages of willful violation of the policy.

## **4. Policy Measurement Metrics**

The Company shall ensure regular internal and/or external quality reviews are conducted to assess the efficiency and sustainability of tax control framework of the group and its subsidiaries.