



Tax Strategy

PTTEP Group, with subsidiaries incorporated in Thailand, Australia, Bahamas, Brazil, Canada, Cayman Islands, Cyprus, Hong Kong, Mexico, Myanmar, Netherlands, Panama, Portugal, Singapore, United Kingdom, and United States is committed to worldwide corporate citizenship, and truly believes that Good Corporate Governance and Business Ethics are the keys to sustainable development for a better future.

As such, we adopt the tax strategies for the Group as follows:

- The Group ensures that we pay our fair share of taxes in every country where we operate and also fulfill our role as a responsible corporate citizen by complying with the intent of the applicable tax laws and regulations, recognizing our obligation to withhold taxes and collect other indirect taxes, and delivering these taxes to the government. We do not transfer value to low tax jurisdictions for tax avoidance purposes.
- The Group operates an effective tax control framework with detailed procedural documentation and control activities monitored by the Tax Department and Internal Audit. Our risk appetite is carefully aligned to the strategic and corporate objectives. There is a risk framework in place with risks being assessed on a balance of likelihood and impact. Impact considers financial and non-financial factors.
- The Group considers Tax Authorities and related Government Agencies as our business partners. We constantly aim to develop good cooperation in a spirit of trust by being open, transparent and sincere. We intend to provide timely, comprehensive information to promote mutual understanding and achieve early agreements so that potential tax risks can be efficiently managed.
- The Group is committed to complying with transfer pricing regulations and ensuring that all actions required under the applicable transfer pricing legislations are undertaken. We adopt an international transfer pricing practice that includes planning, implementing, testing and reporting procedures to ensure that the transfer prices for all related party transactions are at arm's length.
- The Group engages in reasonable tax planning that is aligned with our commercial and economic activities and does not lead to any abusive results. We undertake the legitimate tax incentives, exemptions and statutory alternatives offered by government in order to balance the benefits among all the stakeholders. We seek external professional advice or confirmation from tax authorities where the tax law is unclear. We closely manage the exposure to risk, commit to being transparent as good taxpayers, and actively mitigate potential reputational risk that may arise from inappropriate tax planning. The Group do not use tax structures for tax avoidance purposes.

- The Group discloses income taxes in our Financial Statements which are in accordance with International Financial Reporting Standards (IFRS), so as to uphold and strengthen stakeholders' confidence. The difference between an effective tax rate and an expected tax rate can be explained.

- The Group ensures that our shareholding structure, the incorporation of subsidiaries in Preferential Tax Regimes, or Tax Haven countries are transparent and in accordance with the law. The objectives are to provide flexibility for management of investments and to reduce our investment risks. This is to align with standard industry practice for investment of large international oil companies. We do not use Tax Haven countries for tax avoidance.



Mr. Montri Rawanchaikul
Chief Executive Officer

(Information as of 17 June 2022)