


SCB^x

SCBX Group
TAX POLICY

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A low-angle, upward-looking shot of an outdoor escalator. A person in a dark suit is walking up the stairs, their silhouette against a bright, hazy sky at sunset or sunrise. The sky is filled with soft, colorful clouds in shades of orange, pink, and blue. The escalator's metal handrails and steps lead the eye towards the person and the horizon. The surrounding architecture consists of modern, angular concrete or stone walls.

Our Sustainability Mission

**OPPORTUNITIES
FOR EVERYONE,
POSSIBILITIES
EVERYDAY**

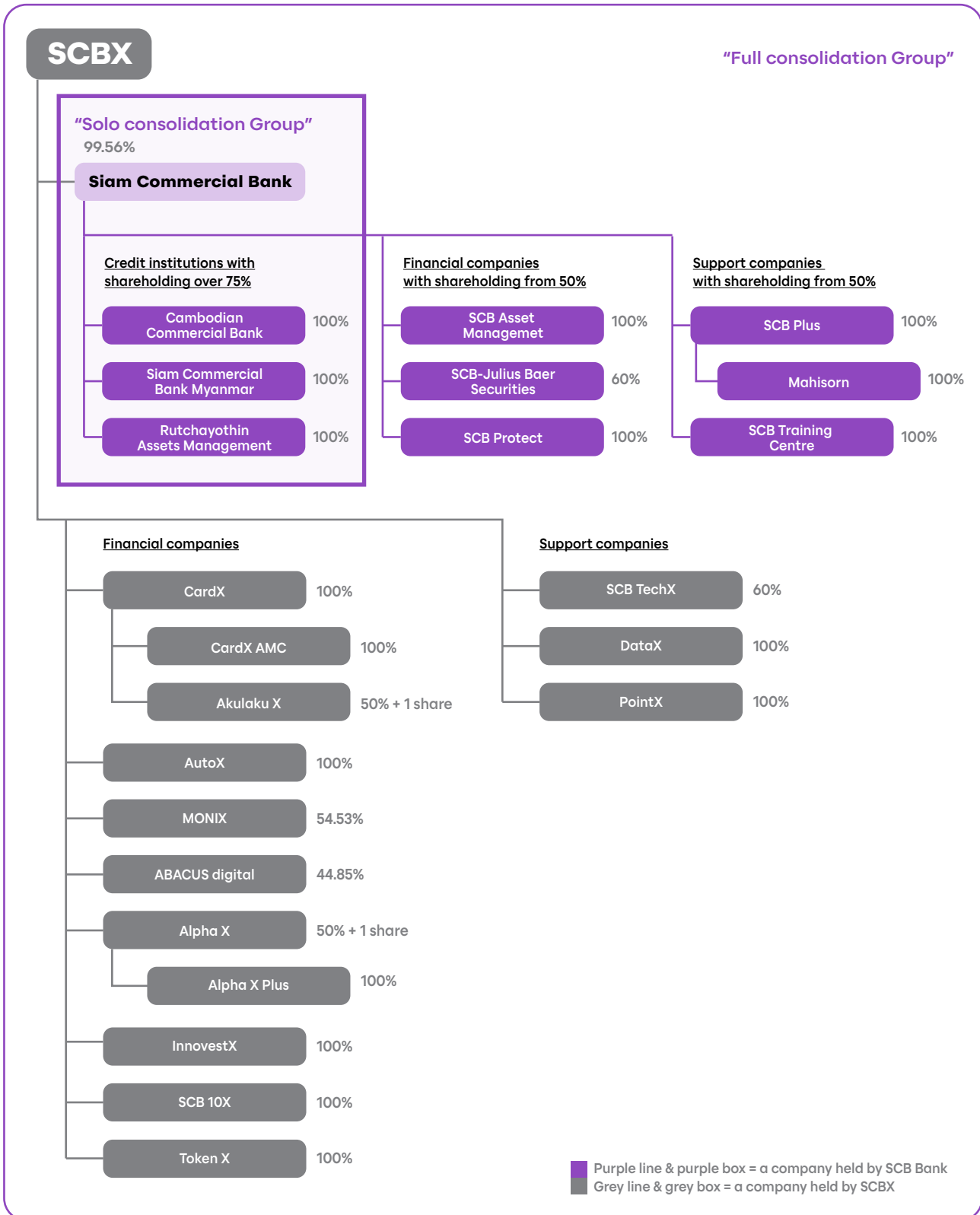
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SCBX GROUP TAX POLICY

1. Group Structure

Structure of the Group as at Dec 31, 2024 is as followed



The company considers which companies are subsidiaries, joint ventures, and associates based on the criteria set out in Group Accounting Governance section 3.

2. TAX POLICY

This tax policy of SCBX Group (the “Group”) is founded on principles of transparency, corporate governance, the protection and maintenance of the Group’s credibility and reputation. It emphasizes on tax risk management, compliance, non-avoidance, and utilization of legal tax benefits to enhance operational efficiency. As social responsibility is one of the Group’s core values, the Group recognizes its role as a good taxpayer since proper tax payments are crucial for supporting sustainable societal development.

TAX GOVERNANCE

The Group is committed to strengthening governance over its tax affairs. The Group establishes policies and internal procedures as part of a framework for tax compliance to ensure that the Group’s product operations and customer services meet the best practice and comply with tax laws in all jurisdictions where the Group operates. This tax policy is binding on all executives and employees of the Group and is reviewed regularly for appropriateness by internal auditors and tax reporting team before submission to the audit committee for approval.

TAX MANAGEMENT AND COMPLIANCE

The The Group is committed to complying with the tax laws of every jurisdiction where the Group operates. This is achieved by providing complete, accurate, and reliable information on all important aspects to the tax authorities within the timeframe prescribed by law or by agreement with the tax authorities. The Group adheres to the principle of transparency in reporting its tax payments, which is one of the Group’s responsibilities to stakeholders.

The Group has separate team working collaboratively: a legal team that provides tax law advice, a tax reporting team and a CoE team that provides tax accounting advice. The legal team advises various units within the Group to ensure compliance with tax laws and reduce tax risks exposure. Additionally, the legal team regularly monitors and updates taxation issues and tax laws, including tax benefits, to ensure that the Group is always up to date. If any legal changes may impact the business, a flash report is issued as soon as a draft taxation law is reviewed and approved by the cabinet’s resolution, for the relevant business operations to prepare and handle any risks. The Group will utilize legitimate business tax structures and benefits available in each jurisdiction as their obvious intended purpose. It will never seek tax fraudulent or devise schemes that stretch the rules.

Apart from the tax law team, the Group has a separate tax reporting team and CoE team under the finance group. The tax reporting team will manage tax calculations, submit tax filings, and pay the tax in a timely manner under the guidance of CoE tax team. The legal team, tax reporting team and CoE tax team work collaboratively to cross-check, balance, and exchange information to ensure accurate tax filings and payments.

The Group may also engage external professional tax consultants to obtain additional insights and ensure that the company complies with tax laws thoroughly and confidently.

TAX PAYMENT AND STRUCTURE

The Group is committed to paying an appropriate based on the value generated from the normal course of commercial activity and will not shift its tax base to jurisdictions with lower or no tax burdens. This commitment aligns with the principles of the Inclusive Framework on Base Erosion and Profit Shifting (BEPS) of the Organization for Economic Cooperation and Development (OECD). Under BEPS 2.0, Pillar Two requires multinational groups to pay taxes in each jurisdiction at rates no lower than the Global Minimum Tax (GMT). The Effective Tax Rate (ETR) will be calculated according to OECD methodology. The Group is dedicated to monitoring the progress of implementing these rules in various jurisdictions and will adjust its policies and processes accordingly. The Group will not use abnormal or tax avoidance structures that are unrelated to business operations and distort the intent of local or international laws. Additionally, the Group has no policy to use non-transparent territories, commonly known as tax havens, for tax avoidance.

TAX TRANSFER PRICING

The Group applies the Arm's Length Pricing principle in determining transfer prices and avoids using transfer pricing as a tool for inappropriate tax planning. The determination of transfer prices must be consistent with relevant functions performed, assets used, and risk assumed in each tax jurisdiction.

COMMUNICATION WITH REVENUE AUTHORITIES

The Group proactively collaborates with relevant tax authorities by transparently disclosing information, consulting, and resolving significant tax issues prior to filing tax reports. This ensures that the Group's tax governance and practices comply with the tax laws of all jurisdictions where the Group operates.





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