



PDS

Global | Collaborative | Digital | Ethical

Group Tax Policy

January 2023

Sensitivity: Public



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PDS Group is committed to comply with all the applicable laws and regulations and have a policy of zero tolerance to non-compliance, which is an integral part of our organizational principles.

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Purpose and Scope

PDS Group Tax Policy



**The tax policy
is mandatory
and applies to
all PDS Group
entities**

The purpose of this document is to set out the overall approach of PDS Limited (“PDS”) and companies controlled directly or indirectly by PDS (together with PDS, the “PDS Group”) with respect to taxation and related aspects.

This document sets out PDS’ approach towards management, governance and control over its tax affairs and sets out the general framework within which the PDS Group operates in relation to tax affairs.

The approach and principles described must be followed with respect to corporate income tax, withholding tax and all other direct and indirect government imposts, etc.

This document is approved by PDS’ Board of Directors and will be periodically reviewed and updated by the Risk Management Committee.

Tax Principles

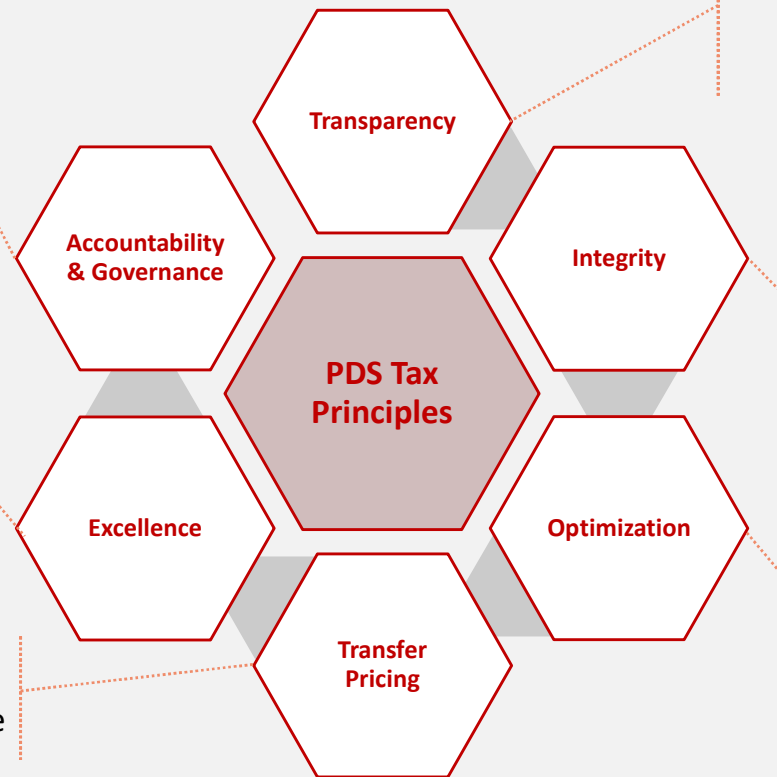
Articulating our tax strategy and governance framework



PDS Group entities shall ensure that all tax decisions are made in adherence to the principles set out herein, by the appropriate personnel

PDS Group shall aim to achieve excellence by adopting the highest standards and the best practices in relation to all tax aspects of the Group

PDS Group shall abide by evolving global transfer pricing principles and alignment of tax structures with value creation



PDS Group shall provide regular information to its stakeholders, including shareholders, policy makers, employees, civil society and the general public, about its approach to taxes

PDS Group shall maintain integrity while complying with tax laws of various geographies. PDS Group shall pay the right amount of tax, at the right time, as per the applicable laws

PDS Group shall claim all applicable reliefs and incentives in accordance with the relevant tax legislation

Approach to taxation

Aim to achieve an optimal tax result, which does not mean the lowest tax result

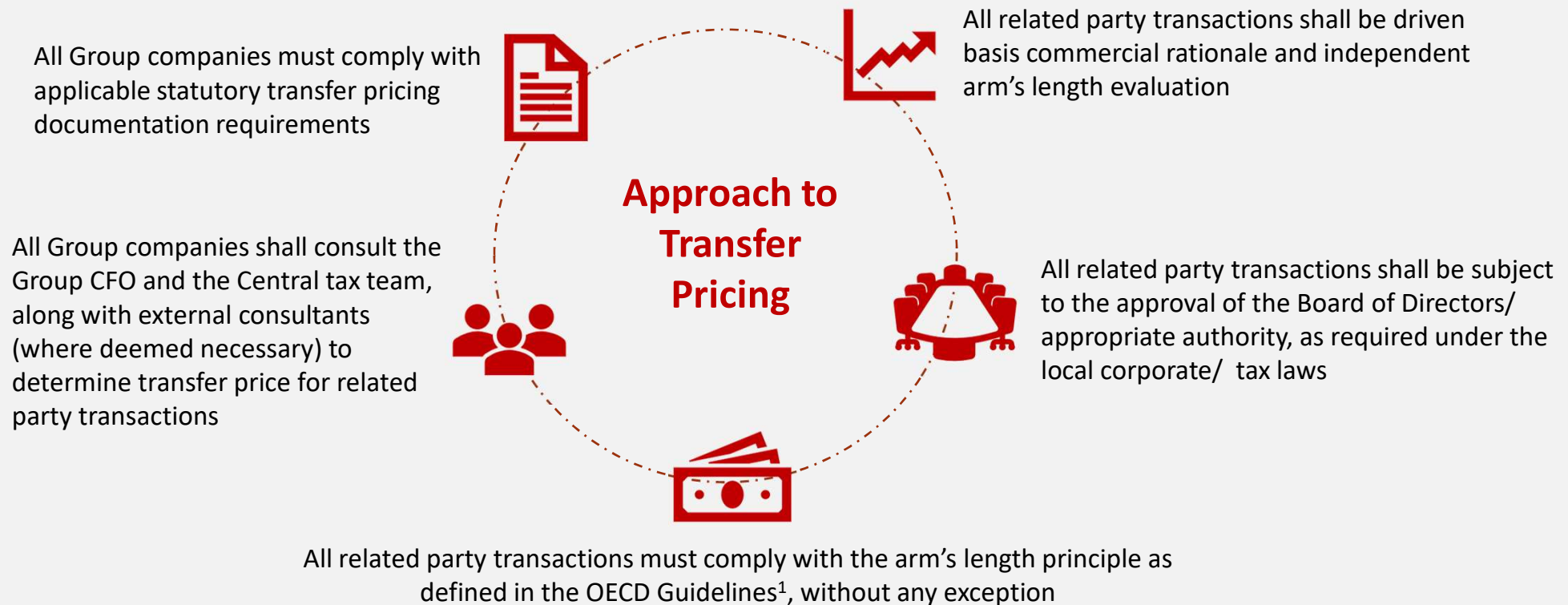


Compliance	Corporate Structure	External advice	Tax authorities
PDS Group aims to minimize the administrative burden involved in tax compliance while fully complying with the tax laws, without exception. Tax returns, claims, elections and payments should be made accurately and on time, while interest charges and penalties suffered should be avoided or minimized	Any corporate and / or transaction structuring is to be undertaken with an economic and commercial substance, consistent with PDS Group's commitment to be characterized as a "good corporate fiscal citizen"	When deemed necessary, external advice shall be sought, specifically in relation to complex/ uncertain matters, to support PDS Group in understanding the tax implications of its economic and commercial activities, and complying with those effects	PDS Group recognizes the important role of all Jurisdictional tax authorities, confirming them as stakeholders in its business. Hence, PDS Group companies seeks to maintain a constructive, collaborative and professional relationship with tax authorities, based on transparency and trust

PDS Group companies shall only enter into genuine arrangements (in compliance with the tax legislations) and shall always act within the boundaries of applicable tax laws

Transfer Pricing

Comprehensive strategy to meet the arm's length requirements



¹ OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations

Tax Risk Management & Governance Framework



A. Limited appetite for tax risk – evidenced by our tax principles

PDS Group shall maintain a zero-tolerance approach to dealing with tax evasion. Hence, the Group entities shall maintain adequate internal controls to manage the tax risks associated with its operations.

All Group entities are expected to employ diligent professional care and judgement are to assess tax risks in order to arrive at well-reasoned conclusions on how the risks should be managed.

Appropriate advice may be sought from third parties to support the decision-making process wherever there is uncertainty regarding the application or interpretation of tax law.

In dealings with tax authorities, open and transparent dialogue to resolve matters shall always be the preferred option.

Key risk management strategies under the framework



PDS Group shall review all its corporate income tax exposures and provisions, on a periodic basis to identify and assess gaps, if any.



Annual Compliance Checklist: Tax Leads in PDS Group entities shall confirm statutory obligations, controls and compliance with PDS Tax Principles



PDS Group shall continuously monitor proposed changes in tax legislation and ensure these are factored into our future business plans

Tax Risk Management & Governance Framework



B. Key risk areas covered by the framework

Key risk area	Description of the risk	Mitigation action under the Framework
Policy risk	Transactions and behaviours not in line with Tax Principles	Annual compliance confirmation and transaction reviews
Governance & Organisation	Lack of right organisational structure to implement strategy	Organisational structure regularly reviewed by the Central Tax team
People	Insufficient tax knowledge	Regular global, regional and local training sessions, plus individual development plans
Compliance & Documentation	Failure to comply with statutory obligations	Annual compliance checklists from the Group entities, compliance tracking, supported by tax controls governing operational tax compliance
Reporting & Risk Management	Tax positions not accurately reflected in reporting	Periodic review and approval of direct tax exposures and provisions by the Central Tax team

Tax Risk Management & Governance Framework

C. Robust internal controls to effectively manage risks



PDS Group has established policies to govern its approach to identify, manage and mitigate tax risks. Identified tax risks shall be actively managed within the tax risk framework and control procedures. Significant risks shall routinely be reported to the Board and Audit Committee.



The tax strategy is regularly reviewed by the management to ensure that the people, processes, and technology deployed are appropriate to manage our current tax matters



PDS Group shall proactively seek external advice in situations where there is uncertainty with respect to the application of the tax laws, to ensure that Group does not suffer any unforeseen or unreasonable tax outcomes



All tax assignments must be prepared by personnel with an adequate technical understanding of local tax legislation. All key matters shall be reviewed by an experienced tax specialist/ advisors. External tax advisors¹ may be mandated on the condition that they understand and comply with all aspects of PDS' Group's Tax Policy

¹ As a policy, PDS Group generally operates with Big four and other renowned tax advisors for all key tax compliance, assessments and advisory work, across jurisdictions

Tax Risk Management & Governance Framework

D. Hybrid model for an efficient tax function



Risk Management Committee: Oversight of identification, evaluation and mitigation of strategic, operational, legal and compliance risks

Central team: The Group CFO has overall responsibility for tax matters and is specifically responsible for forming the Group Tax Policy/ Strategy. Central Tax teams shall be responsible for:

- Establishing frameworks to prioritize and mitigate tax risks
- Reportable positions on key issues
- Assist Group teams on crucial matters – vital positions, tax controversy, etc.
- Transfer Pricing model documents (incl. FAR), agreements for adoption across Group

Group teams: Responsible for:

- Day-to-day management of tax functions in respective entities
- Ensure timely compliances/ meet statutory deadlines
- Coordination with external consultants - compliance/ assessments (& Central team, as required)
- Group Policy implementation
- Optimize costs of the tax function

External consultants: Engaged by the PDS Group, in case of uncertainty and/ or to effectively meet local compliance/ mitigate risks



PDS

Together we're building a better,
more sustainable supply chain