



Plantation

GROUP TAX POLICY

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Purpose

The objective of this policy is to outline Sime Darby Plantation Berhad's ("SDP") tax policy and approach in conducting its tax affairs and managing tax risks.

Key Principles

SDP is committed to conducting its tax affairs in every country where it operates, guided by the following principles:

- Commercial Focus: SDP ensures that all its transactions are business/commercially driven with appropriate evaluation on tax impact and tax risk.
- Compliance Excellence: SDP's commitment extends to compliance with relevant tax laws, rules and regulations including timely filing of tax returns, other tax reporting obligations and paying taxes within the stipulated timelines.
- Collaborative Relationships: SDP maintains constructive professional relationships with the relevant tax authorities, government bodies and stakeholders.
- Efficient and Responsible Management: SDP approaches all tax matters with efficiency and responsibility, safeguarding the interest of its shareholders and contribute to the country by paying fair amount of taxes.

Tax Management

The Tax Unit of Group Finance ("Group Tax"), overseen by the Chief Financial Officer, manages all tax-related activities for SDP. It offers advice and guidance to ensure compliance with applicable tax laws, rules, and regulations, engaging external consultants as needed.

All business units and their respective finance departments must engage Group Tax to ensure potential tax risks and opportunities in all transactions are considered, including but not limited to:

- Merger and acquisition
- Investment and divestment
- Distribution of profit / repatriation of income
- Changes in corporate and shareholding structure
- Changes in business models
- Cross-border business arrangements and payments
- Financing arrangements
- Intra-group and related party transactions

Tax Compliance

SDP must adhere to all filing and reporting obligations as mandated by the relevant tax laws, rules and regulations including timely filing of returns and tax payments; in all the countries where it operates.

Intra-group and related party transactions must adhere to arm's length principles and comply with transfer pricing requirements.

Tax Authorities

SDP aims to build and maintain constructive professional relationships with tax authorities and government bodies (collectively known as "the authorities") by :

- adhering to principles of transparency, cooperation and professionalism in any dealings
- meeting reporting and payment obligations

Tax Efficiency Management

SDP ensures tax efficiency management opportunities are align with the relevant tax laws.

In support of business / commercial activities and optimising shareholder returns, SDP will utilise tax incentives as long as they align with the authorities' intended objectives for those incentives.

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September 2023