



- English Translation-

Tax Policy
For Global Green Chemicals Group
2021

1 July 2021

Preamble

In the context of our overall business strategy and objectives, Global Green Chemical Public Company Limited (GGC) pursue a tax strategy that is principled, transparent and sustainable in the long term. We have established our tax policy as an operating guideline for Tax operations to ensure that GGC Group has a single standard of practice conducive to good corporate governance and effectiveness in operational work process.

GGC is committed to good governance in the areas of tax code of conduct, tax management and tax transparency, and also in our firm intention to foster and secure sustainable trust with stakeholders and communities in which we operate.

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(Mr. Piroj Samutthanant)

Managing Director /

Director and Secretary of Board of Director /

Director to Risk Management Committee

Tax Policy

Topic: 1. Tax Code of Conduct policy

Group Policy/Guideline

- Good adherence to Tax ethics requires the following:

1. Compliance

1.1 Tax planning and compliance

- Comply with law and regulations wherever the company operates.
- Submit taxes within the time frame as stated by applicable laws.
- Manage tax planning while complying with legal requirements and relevant international standards.
- Consideration of tax implications for new investments or new business transactions to be carried out by the designated party responsible for tax.

1.2 Tax Advisory

- Joint consideration of tax issues/concerns that have significant impact to GGC group.
- Consider hiring a tax consultant who is specialized in tax issues to ensure legitimacy of practice.

2. Corporate ethics

- Tax implementation should take into account benefits to society and community.
- Implementation of the tax must comply with the Corporate Governance and business code of conduct.

3. Transfer Pricing

- Determine transfer price using the 'arm's-length' principle in case of independent signatories.
- Transfer pricing by reference to market price and contract price which is legally acceptable.

4. Tax Structuring

- Avoid tax structuring for fraudulent cases, unusual tax structure as well as complex tax structure for the purposes of tax evasion wherever the company operates.
- Structure business based upon commercial drivers and alignment with business activities. The existing entities that are based in low or nil-rate jurisdictions are purely for substantive and commercial purposes.

- Pay tax on business profits from regular commercial activity and substance.

5. Sustainable company taxation

- Adopt a sustainable business code of conduct as a guideline in tax implementation in order to create integrity, responsibility and safeguard stakeholders' interests, as well as allowing stakeholders to participate in governance and comment on operations. These will become the mechanism and process to ensure of a committed execution leading up to assured corporate governance.

6. Tax Incentives

- Use available tax incentives appropriately and in line with tax laws and regulations. The tax incentives include tax privileges to promote investment and stimulate economy of the country such as tax holidays, accelerated asset allowances or other incentives. These are subject to corporate tax policy.

7. Relationships with tax authorities

- Appoint a party responsible for overseeing tax matters and coordinating with government agencies.
- The designated responsible party must comply with the tax policy, coordinate and provide accurate tax information based on facts.

Key Consideration

- Tax management process
- Significant tax issues/transactions
- Hiring a tax consultant
- Internal group Transfer pricing

Topic: 2. Tax Risk Management policy

Group Policy/Guideline

- Tax Risk Management policy shall take into consideration the following matters.

1. Process Compliance

1.1 Focus on the accuracy of taxes in the business process

- Comply with the tax laws and regulations, study and apply new tax regulations, where tax laws do not give clear guidance, prudence and transparency shall be the guiding principles.
- Have working guidelines in work processes of the Tax Management business unit and also have a Tax Manual or Working Standards.
- Provide regular training for staff competency development.
- Build tax consultant service system on par with service standards together with responsible person(s). Have a Standard Service Manual and communicate to all related parties.
- Manage risk from non-normal item by applying tax laws and regulations to solve the issue or by consulting a tax expert and to record such information as guidelines for future recurrences, and to inform/request for comments from authorized person on those matters that may incur a tax impact.
- Consider hiring a tax consultant for tax planning or advising on complicated tax issues or on cases without reference data by setting the scope of work, negotiate the consultants' fee for GGC Group as well as employing Tax experience from within the GGC group for consideration.
- Adhere to and comply with tax laws and regulations related to transactions in a timely manner. File correct and complete tax documents as evidence of tax refund process and refrain from acts that will incur fines and interest charges.
- Reviewing and approval process drawn up to mitigate tax risk/liability.

1.2 Analyze and determine the tax risk in division level or corporate level. The steps for risk management are as follows:

1.2.1 Objectives establishment

1.2.2 Risk identification

- Internal factors
- External factors

1.2.3 Risk assessment

- Intensity of the impact

- Likelihood of occurrence
- Intensity of internal control/ monitoring

1.2.4 Risk Mitigation

- Risk Acceptance
- Risk Avoidance

1.3 To select the most appropriate process for tax risk management by taking into account the followings:

- Potential impact to the company from the selected method and solutions.
- Estimated cost of the management of the chosen method.
- Impact on the financial position of business.

2. Monitoring and Reporting

- Assign a tax responsible party for the review and assessment of the tax risk by providing effective monitoring, performing a risk assessment within an appropriate period of time and reporting a self-assessment to the company.
- Arrange an audit by an external auditor or tax specialists within an appropriate period of time and submit the results of the audit / assessment reports to the related business units.
- Provide a report on tax risks, expenses related to tax and deferred tax expenses, such as:
 1. Information disclosed on notes to financial statements.
 2. Information about tax expenses paid to the public authorities in accordance with the designated form.
 3. Information on Income Tax to be disclosed in the Dow Jones Sustainability Index report.
 4. The risk assessment forms of the company.

3. Reputational risk

- Committed to assuring that the Company correctly pays the proper amount of tax in each country in which we operate.
- Having guidelines for the consideration of foreign investment and to refrain from investing in jurisdictions considered to be Tax Havens to avoid tarnishing the tax reputation of the organization.

Key Consideration

- Business assumptions and operations
- Significant tax issues/transactions
- Hiring a tax consultant

Topic 3: Tax transparency policy

Group Policy/Guideline

- Executives shall adhere to and support the realization of transparency and auditability as well as encourage staff under their supervision to have and uphold integrity, trustworthiness and transparency in their undertakings in relation to tax transactions.
 - Have clear and auditable policies as standards and best practices.
 - Have a role in promoting transparency in the organization.
 - Have communicated the importance of tax policies to all levels of staff in related departments.
- GGC Group companies shall understand and provide accurate tax information based on facts when audited by government agencies or in case of disputes that may impact the amount of tax as well as additional documents required by government.
- Efficient internal audit in place
 - There is an agency/person responsible and process for receiving tax complaints through many channels.
 - There is an appropriate internal tax audit in place.
- Timely and accurate communication of tax strategies and policy to related persons as required.
- Consideration of tax consequences to GGC from Affiliates in similar transactions and to notify the tax administration of the related company prior to providing clarification / argument / conceding to government agency in determining appropriate approach.
- Transparency in tax disclosure as legally required and is auditable.

Key Consideration

- Laws and Regulations, audit process, and information request by Government Agencies.
- GGC Affiliates tax management process.