

Tax Policy

NEXEN TIRE recognizes that tax law compliance and tax risk management greatly contribute to the interests of stakeholders (customers, shareholders, society, and government finances) and are essential conditions for sustainable management. Accordingly, we are transparently and faithfully performing tax reporting and payment in accordance with the laws of the country and overseas countries where we have entered. In addition, we conduct preliminary risk reviews on various tax-related issues and changes in domestic and foreign tax laws that occur in business activities.

Basic Principles

1. Faithful tax payment and disclosure of details

NEXEN TIRE faithfully fulfills its tax reporting and payment obligations in accordance with laws and regulations based on rational tax strategies at domestic and overseas business sites. In addition, to ensure transparency in tax affairs, we diligently provide relevant evidence when requested by tax authorities. NEXEN TIRE discloses corporate tax-related information through audit reports disclosed in the electronic disclosure system of the Financial Supervisory Service.

2. Avoid tax avoidance

NEXEN TIRE complies with the tax laws and regulations of the country where the business is located and prohibits the transfer of value to regions with low tax jurisdiction. We do not use tax structures for tax avoidance and do not use secret jurisdictions or tax havens.

3. Tax risk management

NEXEN TIRE conducts preliminary tax reviews on various tax-related issues that may arise in major business activities, continuously monitors changes in tax-related regulations and tax policies, and proactively identifies and manages related risks. We are preparing the best response plan by utilizing the advice of external tax experts, when necessary, in important matters.

4. Implementation of transfer pricing policy

When dealing with overseas subsidiaries, NEXEN TIRE establishes and implements a reasonable and documented transfer pricing policy that conforms to domestic tax laws and OECD transfer pricing guidelines. We actively respond to double taxation by applying for and proceeding with an Advance Pricing Agreement (APA) between the two tax authorities. We comply with the obligation to submit reports related to Base Erosion and Profit Sharing (BEPS) every year.

Title	NEXEN TIRE Tax Policy	Version	1.0
Establishment Date	26.06.2023	Revision Date	-
Establishment & Revision Department	Accounting Team	Management Department	ESG Team