

SINGAPORE POST LIMITED TAX CODE OF CONDUCT

Introduction

As a national postal service provider and a global logistics provider, Singapore Post Limited (“SingPost”, and together with its subsidiaries, “the Group”) is a leading provider of mail, logistics and retail solutions in Singapore and overseas.

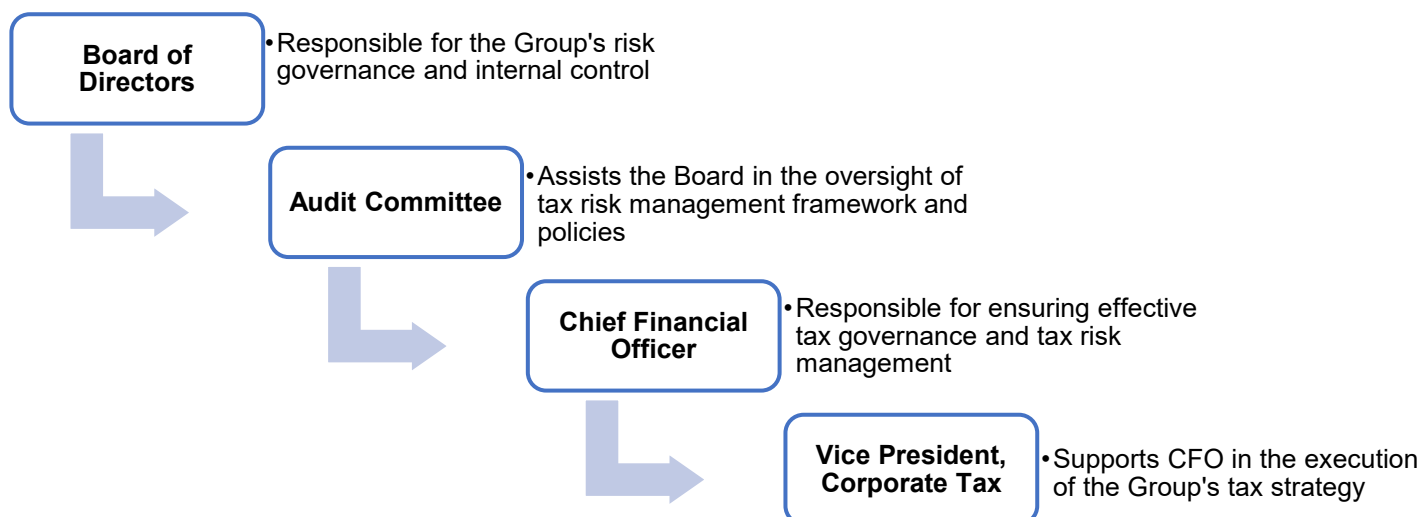
At SingPost, our Purpose tells us the reason for our existence and our Values are ingrained principles that reflect our decisions and are the essence of our identity. Both our Purpose and Values form the fundamental principles of SingPost’s tax management and governance model.

SingPost and all its subsidiaries worldwide are guided by the Tax Code of Conduct, in line with the Group’s Code of Business Conduct and as approved by the Group’s Board of Directors (“the Board”).

Governance Structure for Managing Tax Risks

At SingPost, we have in place a structured and systematic approach to risk management, and aims to mitigate the Group’s risk exposure through appropriate risk management strategies and internal controls.

The Board is responsible for the governance of risks across the Group, and is assisted by the Audit Committee in the oversight of the Group’s tax risk management framework and policies. The Audit Committee appoints the Chief Financial Officer (“CFO”), with the support of the Vice President, Corporate Tax, to be responsible for the establishment and execution of an effective tax governance and tax risk management framework. Our governance structure for tax risk management is outlined below:



The Vice President, Corporate Tax, is supported by highly skilled tax professionals of the Corporate Tax Department, who -

1. Regularly reviews our tax strategy and related governance processes, including quarterly reviews with the Audit Committee.
2. Oversees our day-to-day responsibility for tax and ensures tax compliance across the Group.
3. Attends regular trainings and seminar courses to keep abreast of changes in tax rules and developments.

The Corporate Tax Department is strongly committed to the promotion of the Tax Code of Conduct and relevant risk management policies within the Group.

The Group adopts a conservative approach towards tax risk management where:

1. We ensure compliance with all documented policies and procedures, including conducting appropriate due diligence before adopting a tax position.
2. We seek tax certainty to achieve predictable and sustainable financial outcomes that positively impact all stakeholders.
3. We do not undertake aggressive tax planning. Our business and operations are conducted based on genuine commercial motivations.
4. We employ skilled staff in taxation matters and seek professional advice from subject matter experts in the area of different tax workstreams to provide guidance to the Group, where required.

Compliance with Tax Laws

We are committed to comply with international tax guidelines (including the OECD¹ Guidelines) and all applicable tax laws and obligations in each jurisdiction in which we operate. We ensure our tax compliance and filing obligations are duly completed and fulfilled by, amongst others, working with reputable and experienced external tax advisors for the assurance of quality, where appropriate. We are also committed to comply with the applicable national laws and international standards on transfer pricing by adhering to the arm's-length principle.

We seek to drive value through expert, commercially focused tax insights considering tax as part of business decisions. We are committed to ensure the protection of the tax basis in the jurisdictions where SingPost creates value within the normal course of its commercial activity. We do not use aggressive or artificial tax schemes to reduce our tax liabilities.

We ensure the updating of tax related policies and procedures from time to time when necessary to respond to the ever-changing evolvement of tax rules to ensure its relevance.

Relationship with Tax Authorities

SingPost endeavours to maintain cordial and open relationships with the tax authorities based on mutual trust and respect.

Our open and cooperative approach enables us to minimize disputes and reach agreement on areas of disagreement with the tax authorities. We endeavour to respond to the tax authorities in a timely manner and provide accurate disclosure of all relevant facts. Where appropriate, we will seek tax clarifications or rulings from the tax authorities to support our tax positions.

SingPost engages with professional bodies, industry bodies and international organizations, such as the Singapore Chartered Tax Professionals, the Chartered Institute of Logistics & Transport and the Universal Postal Union, on tax-related advocacy discussions.

¹ Organization for Economic Co-operation and Development