

# **Nan Shan Life Insurance Co., Ltd.**

## **Tax Governance Policy**

Approved at the 38th Meeting of the 41st Board of Directors on December 25, 2024

### **Article 1. Purpose**

Nan Shan Life Insurance Co., Ltd. (hereinafter referred to as "the Company") aims to strengthen its response to international trends in tax governance, to fulfill its corporate citizenship responsibilities, to manage its tax risks and to comply with tax regulations. With a prudent management approach, thereby promoting sustainable business development and fulfilling its corporate social responsibilities, this Tax Governance Policy (hereinafter referred to as "the Policy") is hereby established to guide compliance.

### **Article 2. Scope of Application**

This Policy shall apply to the Company and all subsidiaries in the Company's consolidated financial statements.

### **Article 3. Tax Governance Principles and Code of Conduct**

The Company adheres to principles of integrity and prudence in its approach to tax governance. To ensure compliance with tax laws in all operating regions and to address the impacts of regulatory changes, the Company follows the tax governance principles and code of conduct below:

- (1). **Regulatory Compliance:**  
The Company is committed to complying with tax laws in all jurisdictions where it operates, and to adhering to international tax standards. Taxes shall be accurately calculated and declared within the statutory deadlines to fulfill tax obligations.
- (2). **Transparency of Information:**  
Tax information shall be disclosed through public channels on a regular basis to ensure it is transparent and open.
- (3). **Honest Communication:**  
The Company maintains open, honest, and trustworthy communication with tax authorities in all jurisdictions. The Company is willing to offer industry perspectives and professional opinions on tax matters and also support improvements in tax systems and policies.
- (4). **Risk Management:**  
When formulating and executing tax-related decisions, the

Company should not only evaluate associated risks in the context of the current legal environment and international developments, but also consider its overall optimized tax burden. The Company should prudently assesses tax risks and response measures for all major business decisions, and adopt appropriate mitigation and adjustment strategies.

- (5). **Economic Substance:**  
The Company does not adopt tax structures intended to evade taxation, nor does it engage in business activities that deliberately shift profits to low-tax jurisdictions or use tax havens to conduct tax avoidance transactions.
- (6). **Arm's Length Transactions:**  
Transactions with related parties must comply with the arm's length principle and follow transfer pricing regulations to ensure tax compliance and the fulfillment of tax obligations.
- (7). **Compliant Tax Filing:**  
The Company shall enjoy tax incentives only when justified by reasonable commercial purposes and supported by economic substance, in accordance with relevant tax laws and treaties. Abuse of tax treaties in violation of their legislative spirit is not permitted.
- (8). **Talent Development:**  
Through ongoing educational training and cultivating talents, the Company will enhance its tax-related profession in the organizational competencies to be capable of managing tax risks effectively.

#### **Article 4. Tax Governance Structure and Responsibilities**

Responsibilities and structure for tax governance are as follows:

- (1). **Board of Directors**
  - a. The Board of Directors serves as the highest decision-making and oversight body for the establishment of effective tax risk management mechanisms.
  - b. The Board of Directors approves this Policy based on the overall business strategy and operating environment to ensure the effective implementation of tax governance.
- (2). **Tax Management Unit**  
The Accounting Department under the Finance & Actuarial Function is the designated unit responsible for all tax-related matters across the Company. The Chief Financial Officer (CFO) oversees tax operations and tax risk management, and reports the status of tax-related implementation to the Board of Directors

annually to ensure the effective functioning of the tax governance mechanism.

**Article 5. Supplementary Provisions**

This Policy shall be reviewed and revised as needed in response to changes in international or domestic regulations. Matters not covered herein shall be handled in accordance with applicable regulatory requirements and relevant internal Company rules.

**Article 6. Implementation and Amendments**

This Policy shall take effect upon approval by the Board of Directors. The same procedure shall apply to any subsequent amendments.