

PI Industries Limited: Corporate Tax Strategy and Policy

PI Industries Limited is one of India's foremost research and development driven life-sciences Company offering value chain in the most sustainable manner. PI Industries enjoys tremendous brand recognition and a strong global presence built over the years on foundation of Trust, Integrity and Respect for its product quality and corporate governance. We have a differentiated business model where we view sustainability as a source of competitive advantage.

Our Tax policy & strategy

PI Industries' tax strategy and policy are designed to enable the conduct of business and delivering performance responsibly, with integrity and in compliance with all applicable tax laws and regulations. The fulfillment of our tax obligations is in the interest of all stakeholders and is essential governance.

Our Tax Strategy

Key principles detailing out our strategy are as below:

- a) Establishing robust tax governance framework to enable fulfillment for our legitimate business and tax planning.
- b) We do not to take advantage of tax structures to evade tax.
- c) Business and tax strategies will take into consideration all the risks and be implemented only after appropriate reviews by external tax advisors and experts.
- d) Adhere to Transfer Pricing ('TP') Principles, tax rulings, concessions or reliefs which are provided by judicial authorities of jurisdictions wherever we operate.
- e) Timely compliance with all Tax laws, rules and regulations, in jurisdictions wherever we operate.
- f) Aim to ensure integrity to meet tax compliance obligations.

Our Key Objectives

a) **Accountability and Governance:**

Formulation of Company's tax policy and strategy is the responsibility of the CFO. This strategy and policy is further reviewed, recommended by the Audit Committee to the Board of Directors for its approval.

The Company's taxation team, business level management, and corporate teams have a duty to comply with all the local laws and regulations prevailing in all jurisdictions wherever we operate.

The Company has laid down certain tax standards which define clear lines of accountability, responsibility and processes. These standards play a vital part in managing our tax risks and identifying controls to efficient functioning of the tax department.

b) **Compliance:**

We strive to be compliant with the letter and spirit of the tax laws and regulations. We are committed to:

- i. Comply with all relevant, rules, regulations, reporting and disclosure requirements, in jurisdictions wherever we operate.
- ii. Ensure timely release of payments without incurring tax inefficiencies and undue tax burdens.
- iii. Fully cooperate with Tax authorities in their audit activities and respond to all enquiries in a transparent and timely manner.
- iv. Adopt transparent, professional and constructive relationships with the tax authorities and other relevant bodies based on the practices laid down under Company's Code of Conduct.
- v. Maintain proper documentation and take steps to retain and archive the same digitally for easy retrieval and permanent preservation.

c) **Transparency:**

The Company provides regular information to all its stakeholders including investors, employees on periodic basis about the Company's approach to tax and the taxes paid. We firmly believe in remaining transparent and having a supportive relationship with all relevant tax authorities.