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## Kia Tax Policy

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## 1. Overview

### A. Purpose

Kia establishes its tax policy to comply with domestic and international tax laws and regulations and to minimize tax-related risks. We enhance stakeholder value and lay the foundation for the sustainable growth of the Company through the formulation and disclosure of the tax policy.

### B. Scope of Application

Kia's tax policy applies to all companies and business units of Kia and its affiliates operating business around the world. If the tax laws and regulations of the local country do not cover tax principles and processing standards, tax-related work shall be conducted in accordance with this policy.

### C. Implementation Plan

Kia implements its tax policy through 1) compliance with tax-related laws and regulations, 2) declaration of tax policy, 3) management of tax risks, and 4) improving transparency in tax policy and compliance. Tax-related departments regularly apply legal enactments and revisions and reflect changes in the social and corporate environment to upgrade the implementation plan.

## 2. Basic Principles

Kia thoroughly complies with the spirit and content of the tax laws and regulations in the countries in which the company operates, and fulfills its tax obligations in good faith in accordance with the principle of fair taxation. The Company establishes tax processing standards to manage tax risks and discloses its tax information transparently.

### A. Tax Principles

- ① Kia recognizes the importance of compliance with tax laws and management of tax risks.
- ② Kia shall comply with the tax laws and related regulations of the countries in which it operates its business and is responsible for tax returns and payments.
- ③ Kia shall not exploit differences in tax laws between countries for the purpose of tax avoidance and shall not transfer the value created to low tax jurisdictions.
- ④ Kia shall comply with the arm's length rule and ensure that taxable income created in each country of business is legally distributed according to the value and commercial

substance.

- ⑤ Kia shall trade at the normal price for transfer pricing in transactions with related parties in accordance with the arm's length principle.
- ⑥ Kia shall not operate a legal entity for the purpose of tax avoidance or use a tax haven.
- ⑦ Kia strives to faithfully fulfill tax obligations and seeks constructive and transparent relations with the taxation authorities.

## **B. Tax Processing Standards**

- ① Tax returns, supporting documents, and decision-making materials on tax issues shall be documented and stored.
- ② To review in advance and respond to tax risks, Kia understands the tax laws of each country in which we operate our business and monitor changes, new regulations, and precedents in tax laws.
- ③ When a business decision is required on a tax issue, it shall be determined in advance by cooperating with external tax experts and considering the authoritative interpretation of the taxing authority.

## **C. External Disclosure**

- ① The Company's tax information shall be disclosed transparently through an audit report in the Data Analysis, Retrieval and Transfer System of the Financial Supervisory Service.
- ② In the audit report of the external auditor, information such as the basis of the calculation of corporate tax expenses, deferred tax assets and liabilities, and the composition of corporate tax expenses can be found in the financial statements and footnotes. The transparency and objectivity of the document shall be secured through an external audit.
- ③ The Company shall properly disclose tax-related information to stakeholders in accordance with reporting standards.