

## **Tax Policy and Risk Management Commitment**

Zyxel Group adopts a sustainable development tax management policy. Being a multinational telecommunications company, it actively monitors tax regulations in various countries and periodically reviews its tax policies to ensure compliance with local laws and regulations.

The CFO of Zyxel Group serves as the top decision-maker for the group's tax policies. The accounting department is responsible for income tax reporting, and income tax declarations are processed only after appropriate approval. The accounting departments of subsidiary companies regularly report on tax management and results of each operational location to the management team, enabling the group's management to have a comprehensive understanding of the company's tax policies and execution status.

To address tax risks arising from globally dispersed operational locations and the compliance complexities of various regulations, we continuously update our observation and assessment of relevant tax regulations. In addition to internal training, we also engage external professional tax advisors, when necessary, to assist in providing recommendations for significant transactions to mitigate potential tax risks.

### **Tax Policy**

- All operations are conducted in compliance with local legal regulations.
- Related party transactions are established according to standard transaction norms.
- Financial reporting information is transparent, and tax information is disclosed in accordance with relevant guidelines.
- Stay updated on new tax laws and regulations, and assess and implement responsive strategies promptly.
- Consider tax implications in significant operational decisions.