



Pacific Basin

Pacific Basin Shipping Limited

Tax Strategy

Pacific Basin Shipping Limited (“**Pacific Basin**” or the “**Company**”) is listed in Hong Kong and operates globally. Its fleet transports a diversified range of dry bulk cargoes between many ports around the world and our global office network spans across six continents.

Pacific Basin is committed to high standards of corporate governance to achieve sustainable value for our shareholders.

This strategy applies to the Company and its subsidiaries (together the “**Group**”) ⁽¹⁾ for the year ended 31 December 2025.

1. Aim / Philosophy

The overall aim of Pacific Basin’s tax policy is to ensure that the companies’ affairs are carried out in the most tax efficient manner whilst complying with the rules and regulations in all the jurisdictions in which the Group operates. Tax is a factor that is always considered in all investments and significant business transactions.

2. Governance and Risk Management

Pacific Basin is committed to compliance with all applicable laws, rules, regulations, and reporting and disclosure requirements to relevant tax authorities. The Group meets its tax compliance obligations in relevant tax jurisdictions. This includes endeavouring to keep abreast of tax rules and regulations, delivering relevant tax returns and making tax payments on time.

The Group’s tax affairs are managed centrally and in a manner which takes into account the Group’s corporate reputation in line with its overall high standards of governance. The Risk Management Committee, chaired by the Chief Financial Officer (CFO) or the Chief Executive Officer (CEO), as the case may be, and reporting to the Audit Committee, monitors the integrity of the Group’s internal controls and risk management systems including financial reporting and taxation planning and compliance and the supporting governance framework. Day to day management of the tax affairs of the Group is delegated to designated personnel with appropriate qualifications and experience (the “Tax Function”) who report to the CFO or the CEO as the case may be.

3. Tax Policy

Our tax policy aims to support the commercial needs of the business by ensuring that the companies’ affairs are carried out in the most tax efficient manner whilst remaining compliant with all relevant laws. The Tax Function is kept fully informed of commercial decisions and provides appropriate input into business proposals to ensure a clear understanding of the tax consequences of any decisions made.

The Group utilises relevant tax incentives, reliefs, allowances and exemptions available in line with the intention of legislation. If deemed necessary, the Group will seek confirmation from professional advisers to confirm entitlement to such incentives, reliefs, allowances and exemptions.

4. Tax Uncertainty

An element of tax uncertainty is inevitable in the current global tax environment. Tax rules change from time and time. The Tax Function ensures the Group is kept up to date with relevant changes to tax rules and the related financial and legal implications to the Group.

Pacific Basin's tax arrangements are based on its commercial business and economic activities. The Group monitors and reviews its operations in all jurisdictions where it operates to realign its tax arrangements when necessary to be compliant with the tax rules and regulations, including transfer pricing guidelines. Where there is significant uncertainty or complexity in the matter, external advice may be sought.

5. Approach towards Dealing with Tax Authorities

Pacific Basin is committed to the principles of openness and transparency with tax authorities. We make fair, accurate and timely disclosure in correspondence and returns, and respond to queries and information requests in a timely manner.

Pacific Basin engages with tax authorities with honesty, integrity, respect and fairness and in a spirit of co-operative compliance. Pacific Basin does not take positions on tax matters that may create reputational risk or jeopardise its good standing with the tax authorities. We aim to resolve any disputed matters through honest, active and transparent discussion.

If deemed necessary, we will discuss with tax authorities significant tax issues or interpretation of the law in relation to relevant taxes to achieve certainty wherever possible either by ourselves or via our tax representative(s).

In the event that inadvertent errors in submissions are made, such errors are fully disclosed to tax authorities as soon as reasonably practicable after they are discovered, and put right the tax position in an open and efficient manner.

Approach towards dealing with tax authorities equally apply to dealing with Her Majesty's Revenue & Customs in the UK.