

## Mexican Tax Legislation

### 1. General provisions

#### Federal Tax Code (“FTC”)

##### *Tax Residence & tax ID*

As opposed to a place-of-incorporation tax residence criterion, tax residence for an entity will be deemed in Mexico, if managed and controlled in Mexico (seat of the business' effective management).

Furthermore, legal entities are under the obligation to file for a tax ID before the Federal Taxpayers' Registry.

Following international best practices, Mexico as member of the OECD, has incorporated into their local tax legislation the principles of this organism.

##### *Obligation to file the Statutory Tax Report*

As of fiscal year 2022, Mexican resident corporations in Mexico are required to file to the Mexican Tax Authority a Statutory Tax Report, as long as the company has a taxable income from the preceding fiscal year in the amount of 1,650,490,600 pesos. For the fiscal year ending December 2024, the cumulative taxable income totaled 1,940,178,120 pesos.

#### Income Tax Law (“MITL”)

Mexican resident corporations—where the businesses are managed and controlled—are taxed 1) under their Mexican income and 2) on their worldwide income as it flows into Mexico, by applying the corporate rate of 30% on net taxable income.

In Mexico, the Corporate Income Tax is calculated under individual basis, including profit sharing to employees which is mandatory under Mexican law. Mexican residents are taxed on the basis of worldwide income, adjusting for inflationary gains or losses associated with financial assets or liabilities. Dividends on foreign-source income derived by residents is subject to tax in the same manner as Mexican-source income is.

In those cases where operations take place in a low-tax regime (lower than 75% of the Mexican tax rate, or 22.5%) they will be taxed as if they had taken place in Mexico at the 40% tax rate, therefore, we are committed not to transfer value created to low tax jurisdictions.

## *Employees' Profit Sharing (PTU)*

Employees of companies which perform activities that generate corporate income are entitled to participate in the profits of the company. Employees share the profits of the company through the distribution of a percentage of the company's net income before taxes, an amount which is deductible from income taxes. The percentages that may be deducted from taxes are 10% of taxable profits for Mexico and Perú, and 15% for Ecuador

In recent months, a labor reform was enacted in México in which a new limit is established for PTU purposes. The amount of profit sharing will be capped to three months of the employee's salary or the average of the profit-sharing amounts received in the last three years.

Mexican companies paying salaries are also obligated to pay social security contributions to their employees.

## *Inflation effects*

Different from most, if not all, other tax regimes, the Mexican tax regime provides that financial assets—not including equity assets—are subject to inflationary gains or losses (depending whether they are monetary assets or monetary liabilities) and that such gains or losses should be considered in determining the net income a company should be taxed on.

If financial liabilities (accounts payable) exceed financial assets (accounts receivable) a net inflationary gain is generated and should be considered taxable income. Otherwise, if accounts receivable exceeds accounts payable an inflationary loss is booked and it is deductible for tax income purposes.

The inflationary gains or losses resulting from the difference between average assets and average liabilities in a given year is calculated using the Indice Nacional de Precios al Consumidor or national price index.

## *Dividend income and distributions*

Dividends received in Mexico from a foreign company are subject to corporate income tax in the year received. Corporate and withholding taxes paid abroad may be credited against the resulting Mexican taxes. If the tax rate paid abroad is lower than that of Mexico (30%) we will pay the difference. However, if the former happens to be higher, we may only credit an amount equivalent to that corresponding to the Mexican tax rate.

Dividends received by a Mexican resident company from another Mexican resident company are exempt from a 30% corporate tax, as long as these dividends come from the net tax profit account ("CUFIN" per its acronym in Spanish). For dividends paid to foreign residents, there is no 10% additional withholding on distributions of profits generated prior to 2014 subject to corporate-level tax. For distributions paid on profits generated 2014 and onwards, there is a 10% dividend withholding tax.

## *Preferential tax regimes (CFC rules)*

Mexican legislation provides that income obtained from sources deemed as preferential tax regimes will be taxed on a current basis, even when profits have not yet been distributed to the taxpayer, to avoid deferral of taxes due on income generated on investments made in controlled foreign companies.

In general, income is deemed subject to a preferential tax regime when generated in cash, kind, services and credit by foreign entities (that do not qualify as look-through entities in their place of incorporation) in which the taxpayer directly or indirectly participates, even if such income has not yet been distributed, whenever such income is not taxed by the foreign jurisdiction or is taxed with an income tax lower than 75% of the income tax that would have been otherwise due and payable in Mexico. There are certain exceptions to this rule (i.e., lack-of-control exception, business income, among others).

According to the above, if one of our subsidiaries happens to be in a country where the applicable income tax rate is below 22.5% (75% of the Mexican tax rate), its profits would become taxable in Mexico at the Mexican tax rate of 40% and América Móvil would have to pay the differential between the taxes paid abroad and the amount that would have accrued under the Mexican rate even if no dividends are being paid by the subsidiary to América Móvil.

## *Loss carryforwards*

Losses may be carried forward for 10 years, subject to applicable inflation adjustments. The carryback of losses is not permitted.

## *Capital Redemptions*

Also, entities shall keep a paid-in-capital account ("CUCA" per its acronym in Spanish) which is credited with the paid-in capital and net premiums on share subscriptions made by its shareholders, decreased by any return of capital made (to the extent it is treated as an actual capital redemption and not a dividend). Corporations may return capital to its shareholders

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against the CUCA account without triggering an income tax liability, provided there is no deemed dividend or profit distribution.

## *Tax transfer pricing*

As of fiscal year 2022, the Mexican resident corporations are required to file a transfer pricing study between Mexican related parties to the Tax Authorities.

## *Tax treaty network*

Mexico's tax treaty network comprises approximately 74 treaties for the avoidance of double taxation, 19 information exchange agreements, 30 bilateral investment treaties in force, more than 10 free trade agreements with over 50 countries worldwide, and around 15 treaties in the process of being negotiated.

## *Multilateral Instrument (MLI)*

The Multilateral Instrument or "MLI" **BEPS** allows jurisdictions to quickly implement the treaty-based recommendations of the BEPS package, including some of the minimum standards. On June 7, 2017, Mexico signed the MLI, and on October 12, 2022, the MLI was ratified by the Mexican Senate. On June 19, 2023, it was published in the Official Gazette of the Federation, entering into force on July 1, 2023.

The MLI is intended to complement existing Double Taxation Avoidance Treaties by adding new provisions and replacing some provisions in the Double Taxation Avoidance Treaties.

## *Tax structures with commercial substance*

All the structures and operations carried out by the group are supported by business activity as well as commercial substance.

## Our Tax Principles

**Our tax payments are made in the countries where we generate our income** and we make full disclosure of this in the Country by Country report that we present to the Mexican tax authorities (Sistema de Administración Tributaria “SAT”). This report is based on the OECD principles. Mexico is part of the OECD and the SAT have incorporated the OECD principles to improve transparency and governance and since January 1st, 2016 require all MNE resident in Mexico to provide a comprehensive report citing all legal entities owned by América Móvil, foreign and domestic, taxes paid by them and the number of their employees, amongst other data. The afore-mentioned report is presented on an annual basis to the SAT in Mexico and is available for information exchange with other tax authorities through exchange agreements.

**We refrain from using tax havens for fiscal planning purposes.**

We are committed to refraining from using tax benefits in countries classified as tax havens or secrecy jurisdictions for tax avoidance, in addition to not creating companies in countries considered tax-havens for fiscal planning purposes.

We develop and maintain a transparent tax framework which complies with each fiscal requirement in an accurately and timely manner.

**We have procedures to guarantee the compliance of our fiscal duties to minimize any tax-related risks.** In 2019 the International Financial Reporting Standards Committee rule 23 came into effect in Mexico. It requires all legal entities owned by América Móvil to list any potential tax contingencies. Such document is revised jointly with our external auditors. The Chief Financial Officer is responsible for notifying the Board of Directors, specifically the Audit Committee, of any tax risks that the Company and/or the external auditors deem necessary.

**We have an adequate transfer pricing policy based on market prices and arm's length principle based on their economic value and contribution.** We follow local and international laws as well as the principles outlined by the OECD on its Base Erosion and Profit Shifting framework.

**We report taxes paid in our public fillings in accordance to IFRS 3 and IAS 12 on the note 13 of our 20-F report.**

We are committed to complying with both the letter and the spirit of tax laws and regulations in every country where we operate. Our approach ensures that we uphold the integrity of global tax systems while fostering transparency and responsible tax practices in alignment with global standards.

## Effective Tax Rate and Tax Payments

### Effective tax rate

In 2024, América Móvil accrued MX 35,238 million in corporate income taxes on a consolidated basis. This amount corresponds to an effective tax rate of 56.09% on our worldwide earnings. In 2023, AMX accrued corporate taxes amounted to MX 34,544 million which represented an effective tax rate of 29.95%.

The increase in the effective tax rate for the fiscal year 2024 was mainly driven by inflationary effects in Mexico and Argentina, which impact income tax. Another factor was non-deductible expenses, primarily related to employee pensions, as well as a decrease in the consolidated accounting profit due to foreign exchange losses compared to 2023.

### Tax contribution

América Móvil also pays and collects various taxes from governments through its transactions with suppliers and customers, as well as through our own operations around the world.