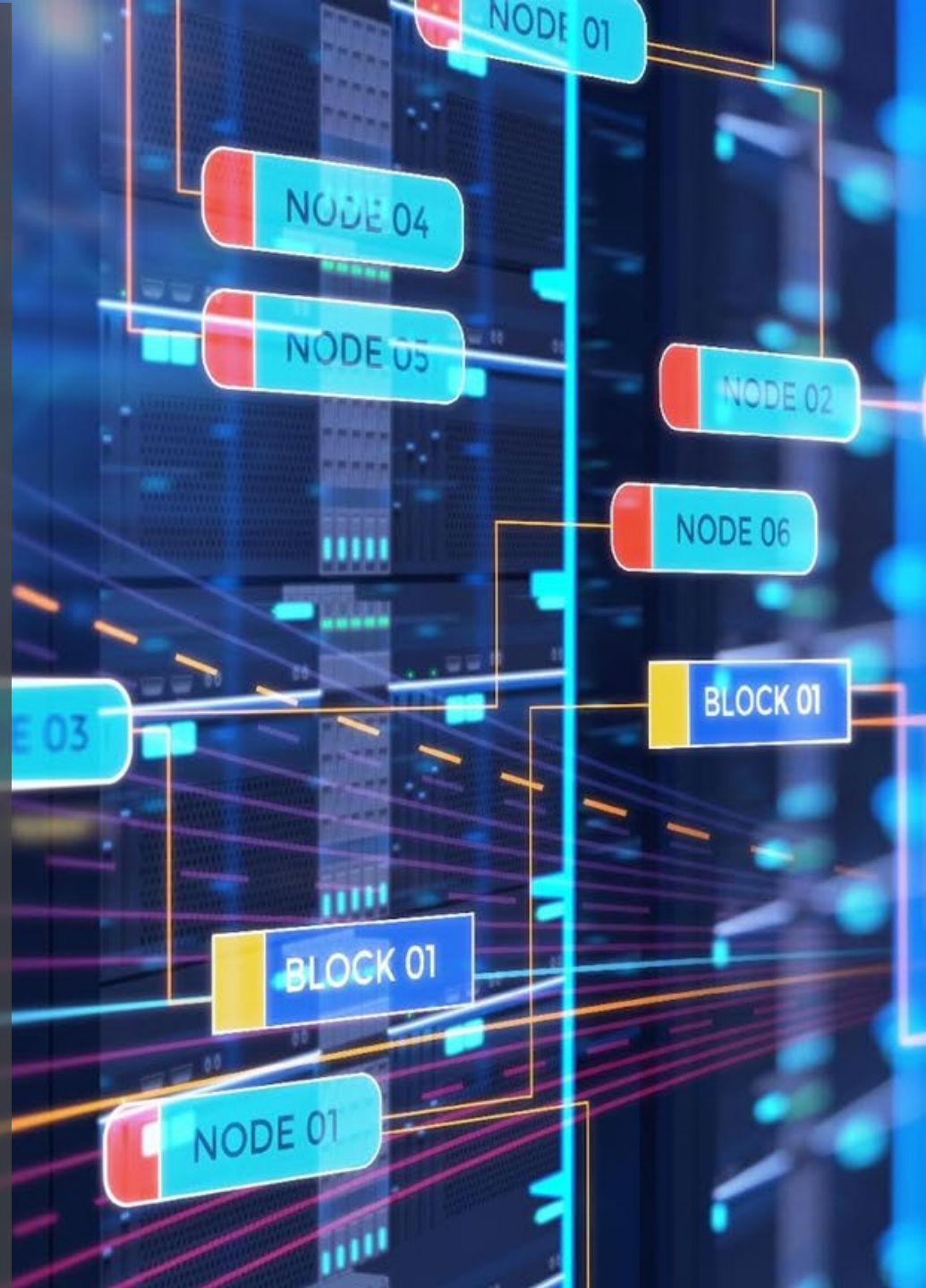


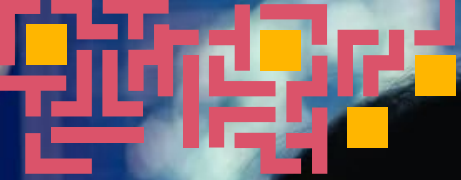
# Beacon

## Pillar 2 Engine and Filing

July 2023

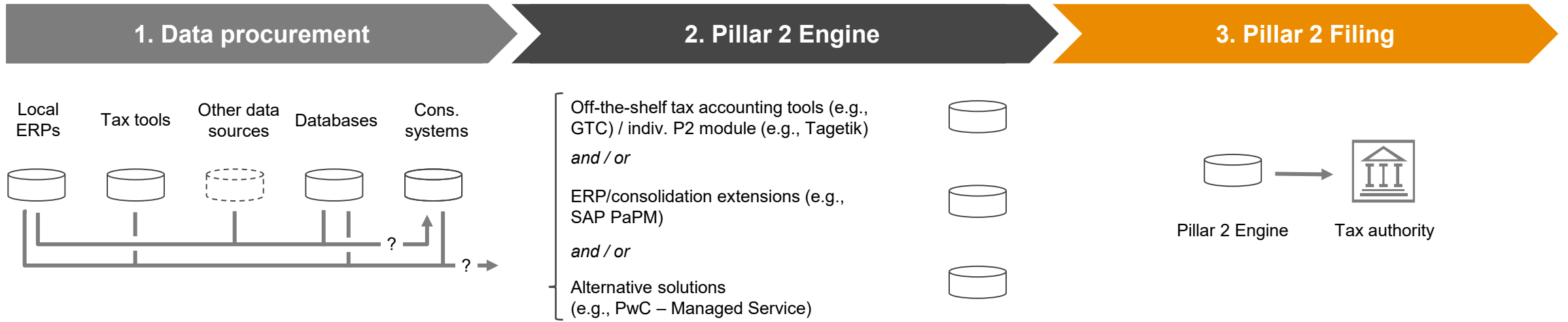






Beacon - The Pillar 2 tool is our end-to-end solution for our clients calculating the impact of Pillar 2 and proofing compliance globally.

# For the areas of Pillar 2 calculation and filing the market in DE shows different key players



# What is Beacon?

The Pillar 2 Engine is our end-to-end solution calculating the impact of Pillar 2 as well as performing local filing obligations globally

## What is it in a nutshell?

PwC's Pillar 2 Engine Beacon is a **centralized rules engine built in Graph technology** in which each **territory can manage their own version of the Pillar 2 rules**, which will be governed by **local and global steering committee** of SMEs. As a result, the Pillar 2 Engine will **allow for modelling and calculating Top-up Taxes globally**. **The results can be used to file local returns to authorities.**

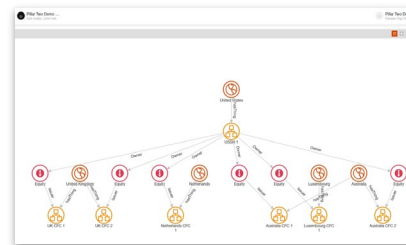
### > Interconnection with data masterfile

The data masterfile is used for the data and systems assessment in our P2 project and sets the basis for the embedded data model in Beacon.

Pillar 2 Data Availability @ [Client]									
Entity	Country	Entity Type	Entity Status	Entity Name	Entity Address	Entity Contact	Entity Financials	Entity Tax	Entity Other
1	USA	Individual	Active	John Doe	123 Main St	John.Doe@corp.com	1000000	1000000	1000000
2	USA	Individual	Active	Jane Smith	456 Main St	Jane.Smith@corp.com	2000000	2000000	2000000
3	USA	Individual	Active	Bob Johnson	789 Main St	Bob.Johnson@corp.com	3000000	3000000	3000000
4	USA	Individual	Active	Alice Brown	101 Main St	Alice.Brown@corp.com	4000000	4000000	4000000
5	USA	Individual	Active	Charlie White	202 Main St	Charlie.White@corp.com	5000000	5000000	5000000
6	USA	Individual	Active	Diana Green	303 Main St	Diana.Green@corp.com	6000000	6000000	6000000
7	USA	Individual	Active	Eve Black	404 Main St	Eve.Black@corp.com	7000000	7000000	7000000
8	USA	Individual	Active	Frank Gray	505 Main St	Frank.Gray@corp.com	8000000	8000000	8000000
9	USA	Individual	Active	Grace Blue	606 Main St	Grace.Blue@corp.com	9000000	9000000	9000000
10	USA	Individual	Active	Henry Red	707 Main St	Henry.Red@corp.com	10000000	10000000	10000000

### > Powerful visualization of complex data

The Beacon ecosystem treats tax laws and business information as data, and emphasizes the connections and relationships in the data to ensure easy and high quality insights.



Standardizing, organizing, and enriching data through our **structured data model** for an agile calculation engine, configured to **support the inconsistent and unique adoption of Pillar 2 rules** around the world and ensure an **most automated filing process** for local compliance obligations.

## Key benefits for MNEs



Beacon allows calculating **Top-up Taxes globally** and get the data ready for **local filings**



Beacon can be used for **impact analysis**



The Graph technology offers a simpler, more **powerful form of organizing data**



PwC teams can use this tool including the **latest rules (by country) globally**



As rules change, those can be quickly added to the **centralized rules engine** and deployed across the global network



**Powerful outputs** in Tableau & PowerBI, as well as audit-ready reports

# Beacons filing and compliance capabilities can be used flexible notwithstanding the chosen Pillar 2 Calculation Engine

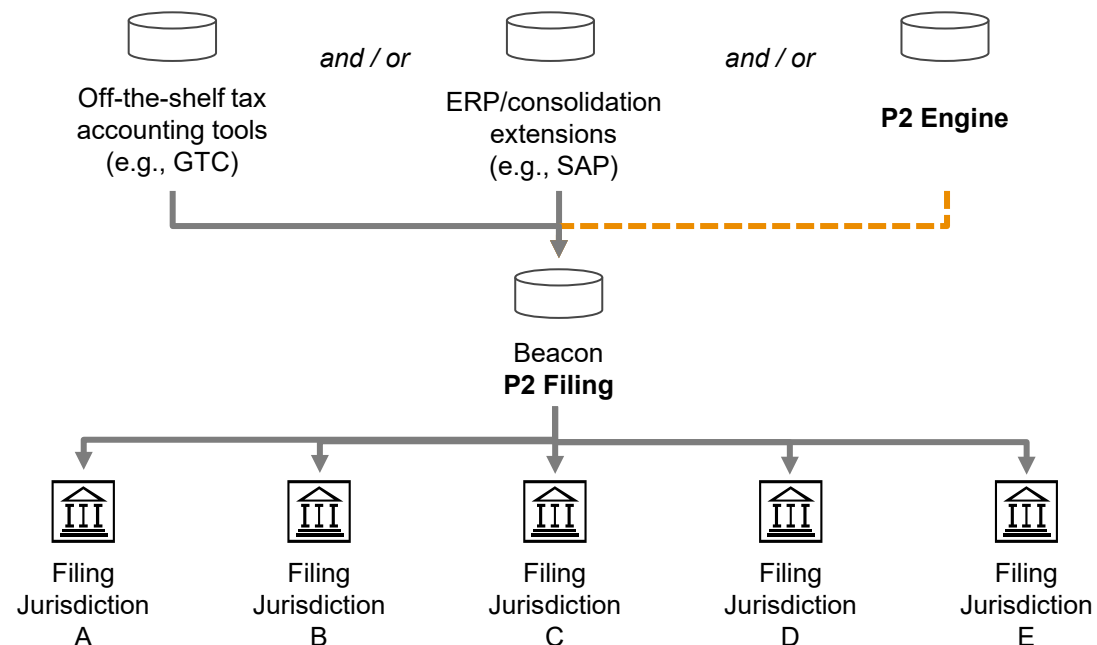
1. Data procurement

2. Pillar 2 Engine

3. Pillar 2 Filing

## Flexible integration in P2 IT landscape

The use of the filing possibilities is completely independent of the selected calculation engine and a connection to the common tool solutions can generally be implemented.



## > Data input for filing

Whichever Pillar 2 Engine is used for calculation purposes, you can use Beacon for the subsequent filing to the tax authorities.

## > Filing as USP in comparison to other tools

We see in the market that many tax tools have extensive possibilities in terms of calculation, but will probably not allow filing for all jurisdictions.

## > Local experts ensure quality

With our global network and SMEs, we ensure that compliance regulations are met globally and locally.

## > Validation

With the help of the various reporting options and visualizations, validations can be carried out optimally and easily prior to filing.

## > Data output

There will be interfaces to the local tax authorities, so that due to the extensive compliance regulations an enormous administrative effort be eliminated.

# Your benefit using Beacon as a Managed-Service



## Approach

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- PwC's Pillar 2 Beacon tool is a centralized rules engine built in Graph technology in which each territory can manage their own version of the Pillar 2 rules, which will be governed by local and global steering committee of SMEs.
- As a result, Beacon will allow for modelling and calculating Top-up Taxes globally. The results can be used to file local returns.
- PwC can support in in different granularities
  - **Full-Service** approach\*: Calculation and aggregation of Pillar 2 data based on data procurement by client + filing tax returns based on calculation by PwC
  - **Filing** approach: Filing tax returns based on calculation by client

\*Full-Service approach can also include several accounting services such as preparing stand-alone financials for permanent establishments, calculation of impacts from IC-transactions etc.



## Benefits

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- Beacon allows for computing Top-up Taxes globally and get the data ready for local filings.
- Beacon can be used for impact analysis.
- The Graph technology offers a simpler, more powerful form of organizing data. Instead of simply looking at table rows and columns, Graph's visual display of information will help see deeper into the relationships in the data.
- PwC engagement teams across the network can use this tool with the highest confidence it reflects the latest rules (by country) (reviewed by SMEs).
- As rules change, those can be quickly added to the centralized rules engine and deployed across the global network.
- Powerful outputs in Tableau & PowerBI, as well as audit-ready reports.
- Minimization of internal resources.





# Thank you.

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