

# Yazaki Europe – Tax Strategy

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## 1. Introduction

This tax strategy was published on 10/21/2022 and Yazaki Europe Ltd. regards this publication as complying with the duty under Paragraph 16(2), Schedule 19, Finance Act 2016, in its financial year ended 03/31/2023.

## 2. Yazaki Europe Code of Conduct

Yazaki Europe including Yazaki Europe Ltd. and all branches and companies, that are members of Yazaki Europe Group, operates to a Code of Conduct which defines the general rules on ethical behaviour in conducting its day-to-day business internally and with outside parties, and serves as a guide to employee responsibility and empowerment. Every employee of Yazaki Europe is responsible for complying with this code.

The section of the code that is of particular relevance to tax is Paragraph 5 which states:

*“The Group’s companies must comply with all applicable laws and regulations of the countries in which they conduct business. It is the personal responsibility of all our employees to be aware of these in the context of their job, location and environment.”*

Yazaki Europe is proud of the values with which it conducts business. It has and will continue to uphold the highest levels of tax compliance, ethics and integrity in all types of transactions and interactions.

## 3. Tax Management and Governance

Yazaki’s approach to tax is that it will be managed in a way which is:

- Transparent
- Aligned with the business strategy; and
- Justifiable to the tax authorities who oversee the particular transaction(s).

All Yazaki Europe tax matters are managed by a central tax team who are aligned with the business operations of the Group including Yazaki Europe Ltd.



The central tax team is made up with appropriately qualified personnel, headed up by the Head of Finance, who is also the Senior Accounting Officer ('SAO'). The central tax team is part of the Finance function which reports to the Chief Financial Officer ('CFO') and the board of Yazaki Europe Ltd.

Extra support in compliance and technical issues are provided by external advisors as and when required.

#### 4. Attitude to Tax Planning

Tax planning is limited to structuring the Group's affairs in a manner that is wholly consistent with both the letter and spirit of the law, the resultant outcome being one that reflects the commercial and economic reality of the Group's activities.

#### 5. Level of Tax Risk

Taxation outcomes are considered together with other factors as part of any commercial business decision. Once the business decision has been made, the most efficient tax treatment will be applied that is consistent with both the letter and spirit of the law.

Yazaki's approach to the level of tax risk is to be cautious and prudent, thereby if a business transaction presents any tax uncertainty, Yazaki will raise the uncertainty with HMRC.

#### 6. Interaction with HMRC

Yazaki is open with HMRC about how it manages tax compliance risk across all relevant taxes and duties.

Wherever possible, Yazaki raises significant compliance issues, uncertainties and/or irregularities with HMRC as they arise.

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