

TAX MANAGEMENT POLICY

1. Our approach to tax planning

We engage in efficient tax planning that supports our business and reflects commercial activity and do not engage in artificial tax arrangements.

We do not undertake transactions whose sole purpose is to create a tax benefit which is in excess of what is reasonably understood.

We also will not enter transactions and arrangements where one of the main purposes is tax avoidance.

We do not utilize companies incorporated in “tax heavens.”

2. The level of tax risks we are prepared to accept

There are no predefined limits of the amount of acceptable tax risks. It is judged on an issue by issue basis. For material tax risks, we obtain pre-transactional validation from relevant advisors. We have low tolerance for tax risks for mistakes and late submission of tax returns / tax payments for established tax compliance obligations.

3. Our approach to deal with HMRC

We maintain a transparent and constructive relationship with HMRC. We see value in working with tax authorities to agree tax positions, and therefore we seek to work with HMRC on a real time basis.

4. Our approach to risk management and governance arrangements

We actively manage the tax risks affecting our businesses with the aim of minimizing unexpected adverse reputational and financial impacts. Tax management is handled by Financial Controller and finally determined at ‘Management Meeting’ in Toyo Ink Europe UK Ltd. Reliance is placed on external tax advisors where there is a need for specialist guidance and support.

Therefore, management of tax risk aims to ensure that we pay and collect the accurate amount of tax and meet local reporting and disclosure requirements.