

DENSO UK Tax policy for period ending 31st March 2024

General

DENSO is a leading supplier of advanced automotive technology, systems and components for major automakers. We are committed to making the world a better place through our world-first products and technologies.

We believe that being a trustworthy partner is one of the core principles of DENSO, i.e. we strive to be a group that is trusted by people around the world. We believe that key actions to earn the trust and understanding of society pertain to the DENSO Group's observance of all applicable national and regional laws and all Group employees' fair and faithful conduct that embodies the highest ethical standards. This is achieved through the development of uniform quality standards for our people and the development of relevant guidelines for the employees. The compliance to all relevant guidelines is monitored and fed back to the (European) Board.

In the UK, the DENSO group comprises the legal entities, DENSO Automotive UK Ltd, DENSO Manufacturing UK Ltd and DENSO Marston Ltd.

Tax risk management

Following the core principles of DENSO, the risk appetite for risks in general is low to moderate. DENSO strives to be fully compliant with applicable tax laws and regulations, be it UK tax laws or tax laws in other countries, and as such does not want to incur any (significant) risk on noncompliance.

Changes in UK tax laws (being changes in formal legislation or changes in interpretation of relevant tax laws) are being monitored by senior management of the UK DENSO entities, through obtaining (periodic) information from our advisors. On a case by case basis, the relevance of these changes for the activities of DENSO in the UK is evaluated.

As part of our general risk management procedures (and, for the UK specific, the required activities to demonstrate compliance to the CCO- Act) tax risk and tax fraud risk in our activities are being monitored, evaluated and, when deemed necessary, mitigated.

Tax planning

DENSO strives to be fully compliant with applicable tax laws and regulations. DENSO is committed to pay its fair share of taxes globally.

Taxation, be it direct or indirect, is a consequence of the economic activities of the Group in the UK. Transactions are only initiated when consistent with the Group's core business and have actual economic substance.

The Group will consider the tax consequences of the transactions in its planning process and will strive to avoid or reduce the risk on double taxation.

DENSO may apply for government incentives where applicable. When applying for these incentives, DENSO will engage advisors to reduce and minimise risk around points of technical complexity and legislative change.

Dealings with HMRC

In order to achieve full compliance with applicable tax laws and regulations, DENSO is committed to open, transparent, collaborative and fair communication with HMRC. We aim for consensus with HMRC on the (tax) treatment of our transactions.

DENSO considers this publication sufficient to meet the requirements of Sch 19 22(2) FA16.