

## **Global Tax Policy of the JALUX Group**

### **1. Basic policy**

In accordance with the JALUX Group's Code of Conduct, all directors and employees of the Group are committed to abiding by relevant laws and regulations, including in relation to the Group's approach to taxation.

### **2. Tax risk management and governance policy**

#### a. Overview

The JALUX Group is committed to abiding by tax laws and regulations in each jurisdiction in which it operates, and manages its operations so as to minimize global tax risk to the extent possible through appropriate interaction with tax authorities.

#### b. Management of tax affairs

In the JALUX Group worldwide, the Representative Director/Chief Executive Officer (CEO) bears ultimate responsibility for compliance with tax regulations as an executive of the parent company JALUX Inc. The companies which constitute the JALUX Group manage their own tax affairs.

Each Group company, including the parent, JALUX Inc., consults with external tax advisers or tax authorities on matters which the company itself does not have the knowledge or expertise to administer. Each Group company also implements appropriate measures to respond to changes in tax law or administration in the country in which it operates, in order to reduce tax risk.

#### c. Governance

JALUX Group regulations stipulate that subsidiary companies shall obtain prior approval from JALUX Inc., the Group's parent company, in relation to any important financial matters which arise in the course of business, including matters related to taxation.

JALUX Inc. also collects information related to taxation issues faced by the Group as necessary in order to manage potential tax risks.

### **3. Tax planning**

#### a. Overview

The JALUX Group does not engage in aggressive tax planning, and does not enter into transactions the sole purpose of which is to avoid taxation.

#### b. Tax havens

The JALUX Group does not deliberately avoid taxation through the use of tax havens.

c. Transfer pricing

The JALUX Group is committed to compliance with transfer pricing regulations and guidelines in each jurisdiction in which it operates, and to compliance with the OECD Guidelines on Transfer Pricing for Multinational Enterprises.

**4. Relationship with tax authorities**

a. Overview

The JALUX Group is committed to maintaining a transparent, appropriate and cooperative relationship with tax authorities based on mutual respect and trust.

b. Consultations with tax authorities

The JALUX Group seeks confirmation and clarification from tax authorities in order to eliminate points of uncertainty in each jurisdiction in which it operates.

c. Disagreement with tax authorities

Should points of disagreement arise between tax authorities and the JALUX Group as a result of a difference in interpretation of the law, the JALUX Group acts transparently to explain and support with evidence the position it has taken to the tax authorities.