

# Yamaha Group Tax Policy, published in compliance with § 16(2) Schedule 19 of the UK Finance Act 2016

## **1. Basic policy**

The Yamaha Group strives to improve not only the company's values but also boost economic and social development all over the world. To achieve our goals, we observe OECD guidelines on transfer pricing or BEPS (Base Erosion and Profit Shifting) initiatives. We also pay appropriate taxes in accordance with the tax-related laws and regulations stipulated in each state and region where we operate.

## **2. Tax governance**

The Yamaha Group has established Group Tax Policies & Rules in order to achieve the basic policy, and disseminates tax-related Yamaha Group policies and procedures widely to the companies of the Yamaha Group and their employees for their thorough implementation.

## **3. Tax planning**

The Yamaha Group uses tax incentives in various countries where they are available for use in normal business activities, follows social ethics and strives to take on proper tax burdens. In addition, the Yamaha Group does not engage in intentional tax planning that is against the legislative spirit of domestic and international laws such as the utilization of Tax Havens.

## **4. Level of risk in relation to UK taxation that the group is prepared to accept**

The Yamaha Group takes a reasonable approach to managing tax affairs. The Yamaha Group will always comply with applicable tax laws and regulations in the countries in which it operates. When valuating a tax risk, the Yamaha Group considers corporate social responsibility as well as financial impacts. When making decisions on tax the Yamaha Group takes into account the materiality of any item as well as the costs of effective risk mitigation actions. There are no predefined limits of acceptable tax risk, it is judged on an issue by issue basis.

## **5. Transfer pricing**

The Yamaha Group strives to realize fair income allocation in accordance with the functions and risks of each Group company and to prevent the improper transfer of income.

The Yamaha Group maintains arm's length price through regular monitoring of the profits and losses of Group companies. In addition, the Yamaha Group strives for the implementation of Advanced Pricing Agreement (APA) with tax authorities to avoid the risk of retroactive transfer pricing taxation.

## **6. Relationships with tax authorities**

The Yamaha Group works to minimize tax risks by maintaining faithful relationships with the tax authorities of the regions where it conducts business. We also confirm essential matters with them in advance to mitigate any predicted risks.

## **7. Securement of transparency**

The Yamaha Group discloses information on its tax in accordance with the related laws and regulations, disclosure standards and accounting standards of each country. In addition, the Yamaha Group will make every effort to give understandable explanations to the tax authorities of the areas where it conducts business and will ensure transparency.

**Enactment: March 2025 for Fiscal Year 1.4.2024 – 31.3.2025**