

NYK Group Tax Policy

The NYK Group (hereinafter, "the Group") considers tax an essential component of corporate social responsibility.

The Group complies with tax treaties, tax laws, and other relevant regulations in each country and region where it operates and ensures the appropriate payment of taxes. Through these efforts, the Group contributes to the development of these jurisdictions while fostering trust and support from various stakeholders.

Tax Compliance

The Group ensures tax compliance by accurately preparing and submitting tax returns and making tax payments in accordance with the relevant tax laws and regulations of each country and region.

The Group also upholds fair and transparent tax practices in line with international initiatives such as the OECD's BEPS project and the Transfer Pricing Guidelines.

Optimization of Tax Costs

The Group aims to optimize tax costs through the legitimate application of tax systems, while ensuring tax compliance and with a view to achieving sustainable growth and enhancing corporate value. Specifically, the Group seeks to earn the trust of its shareholders by eliminating double taxation and appropriately utilizing preferential tax regimes in line with their intended purpose in each country.

Tax Risk Management

The Group strives to minimize tax-related uncertainties and risks while enhancing transparency.

When conducting business transactions, the Group's tax department assesses the tax impact and risks and implements appropriate monitoring measures.

If transactions involve uncertain tax interpretations, the Group seeks resolution based on expert advice.

Tax Governance

The Group manages various risks, including tax-related risks, in accordance with its risk management policy and guidelines.

To support the Board of Directors, the Group has established the Internal Control Committee chaired by the President.

Under this committee, the Risk Management Committee, one of the principal committees overseeing internal control, evaluates and reports on significant risks that may impact the Group's operations and submits its findings to the Board of Directors. The Internal Control Committee develops policies to ensure the effectiveness of internal control activities, while the Board of Directors supervises the establishment of the internal control system.

The Internal Audit Department also conducts regular audits of the operations of the Company and its subsidiaries in accordance with applicable internal audit rules and standards.

The Group's tax department consists of staff with appropriate expertise and, when necessary, seeks guidance from external advisors.

Additionally, the Group provides tax compliance training to employees to ensure the proper execution of tax compliance measures.

Part of Business Activities

All transactions undertaken by the Group serve business purposes and are not carried out solely for tax benefits.

The Group does not engage in tax avoidance through artificial corporate structures or profit shifting to low-tax jurisdictions (commonly referred to as tax havens).

Regarding preferential tax policies in the countries where the Group operates, the Group ensures compliance with legislative intent and applies them in alignment with their intended purpose.

Relationship with Tax Authorities

The Group fosters trust-based relationships with tax authorities in the countries and regions where it operates by responding appropriately to requests, including by providing necessary information in a timely and transparent manner.

If transactions arise with uncertain tax treatment, the Group proactively engages with

tax authorities through mechanisms such as advance ruling requests to seek resolution.

Acceptable Level of Risk

When tax laws are ambiguous or subject to interpretation, the Group adopts tax positions that are most likely to be upheld under the applicable legal framework. Additionally, if a tax audit is requested, the Group fosters a relationship of trust with tax authorities by responding and cooperating in good faith and by disclosing information in a timely and transparent manner.

However, if disputes arise due to differing tax positions, the Group seeks resolution in accordance with the principles of tax law.