

UK Tax Strategy

English translation of the original Japanese-language document

Nihon Shokken Holdings Co., Ltd. London Branch

Accounting period: 1 October 2024 to 30 September 2025 (Year ended 30 September 2025)

This document is published in fulfilment of the statutory obligation to publish a tax strategy under Finance Act 2016, Schedule 19.

1. Introduction

1.1 Purpose and Legal Status of this Document

This document sets out the policy of Nihon Shokken Holdings Co., Ltd. (the “Company”) London Branch (the “Branch”) with respect to UK taxation.

The Branch publishes this UK tax strategy in accordance with its obligation as a standalone qualifying company under paragraph 22(2) of Schedule 19 to the Finance Act 2016. This strategy relates to the accounting period ended 30 September 2025.

1.2 Scope of Application

This tax strategy applies to the Branch’s business activities in the United Kingdom and to all taxes borne by the Branch in the United Kingdom. The principal taxes covered are as follows:

- UK Corporation Tax
- Value Added Tax (VAT)
- Employment taxes (PAYE income tax withholding and National Insurance Contributions)
- Customs Duties
- Other UK taxes and duties arising in connection with the Branch’s business activities

1.3 Overview of the Business

The Company’s principal business is the manufacture and sale of blended seasonings, and it is the ultimate parent company of a corporate group headquartered in Japan. The Branch carries on business in the United Kingdom for the purpose of the sale of blended seasonings in the European region.

The scale of the Branch’s business in the United Kingdom is limited, and its operations are relatively simple.

2. Risk Management and Governance Arrangements in relation to UK Tax

2.1 Basic Approach

It is the Company’s Group policy to comply with the tax laws, and the spirit of those laws, in every country and region in which it operates. In the United Kingdom, the Branch’s highest priority is to meet its tax obligations accurately and on a timely basis, in accordance with the law. The Company also complies with the Corporate Criminal Offences legislation which came into effect on 30th September 2017.

2.2 Responsibility Structure

Responsibility for UK tax matters is structured as follows:

- **Ultimate responsibility:** The Company's Board of Directors bears ultimate responsibility for the tax governance of the Company's Group as a whole.
- **Overall responsibility:** The General Manager of the Company's Accounting Department is responsible for formulating the Group's tax policy, including for the Branch, and for overseeing its implementation.
- **Day-to-day operations:** The Branch Manager and the Head Office Accounting Department are responsible for the Branch's day-to-day tax processing, record-keeping, preparation of tax returns and other filings, and payment of tax.
- **Involvement of external advisers:** The Branch engages a firm of chartered accountants in the United Kingdom as its tax adviser, and has entrusted to that firm the preparation of corporation tax returns, VAT returns, employment tax matters, and the provision of advice on UK taxation.

2.3 Identification and Mitigation of Tax Risk

The Branch identifies and seeks to mitigate tax risk through the following measures:

- Preparing and retaining accounting records and tax-related documentation appropriately, so as to ensure the accuracy of the information underlying its tax filings.
- Managing the deadlines for UK tax filings and payments, and maintaining an internal schedule to ensure that these are met on time.
- Obtaining information on UK tax law changes and their impact on the Branch through its external tax adviser, and considering an appropriate response where necessary.
- Having the Branch's tax treatment reviewed by the Head Office Accounting Department.
- Seeking the advice of its external tax adviser before finalising the treatment of any matter involving uncertainty of judgement.

2.4 Board Involvement

The Company's Board of Directors approves the Group's tax policy and receives periodic reports on its implementation. Where a significant matter arises in relation to the Branch's tax affairs, the matter is reported to the Board of Directors through the Head Office Accounting Department, and the Branch operates under a framework in which the Board of Directors exercises appropriate oversight.

3. Attitude towards Tax Planning

3.1 Basic Policy

The Branch does not enter into artificial transactions or arrangements that lack commercial substance and are undertaken solely for the purpose of reducing its tax burden. The Branch considers that tax treatment should be determined strictly on the basis of the substance of its actual business activities.

3.2 Use of Tax Incentives

The Branch may make use of tax incentives or reliefs available under UK tax law, to the extent consistent with the legislative purpose of the relevant measure. The Branch does not make use of any such measure in a manner contrary to its legislative purpose.

3.3 Related-Party Transactions

It is the Branch's policy that transactions within the Company's Group are conducted on an arm's length basis, in accordance with the OECD Transfer Pricing Guidelines and UK transfer pricing legislation.

3.4 Obtaining External Advice

The Branch obtains the advice of external tax professionals in circumstances such as the following:

1. Where there is uncertainty as to the interpretation or application of UK tax law
2. Where the Branch enters into an unusual transaction or a new type of transaction
3. Where a reorganisation, change in business structure or similar event occurs
4. Where a change in tax law may affect the Branch's tax treatment

4. Level of Tax Risk Accepted by the Branch

4.1 Risk Appetite

The Company's Group has a **low risk appetite** in relation to tax. The Branch places importance on certainty in its UK tax compliance, and, as a matter of policy, does not adopt treatments that are likely to give rise to a difference of view with the tax authorities.

4.2 Approach to Matters Requiring Judgement

Where more than one interpretation of the application of tax law is reasonably open, the Branch responds by means of the following procedure:

1. Any matter that is difficult for the Branch to determine is escalated to the Head Office Accounting Department.
2. For matters expected to have a material impact, the Branch obtains the advice of its external tax adviser before determining its approach.
3. Where significant uncertainty remains as to the appropriate treatment, the Branch's general approach is to adopt the more conservative treatment.

4.3 Regard for Stakeholders

The Company's Group places importance on being a responsible taxpayer in the communities in which it operates, and, in reaching tax-related judgements, has regard to compliance with the law and to the impact on the Company's Group's reputation.

5. Relationship with HMRC (HM Revenue & Customs)

5.1 Basic Approach

It is the Branch's policy to build and maintain an honest, transparent and cooperative relationship with HMRC.

5.2 Specific Measures

- **Timely and accurate filing and payment:** The Branch submits the returns and notifications required under UK tax law within the applicable deadlines, and meets its tax payment obligations on time.
- **Voluntary disclosure of errors:** Where an error in a past filing or similar matter comes to light, the Branch promptly discloses it to HMRC and cooperates in correcting it.
- **Responding to enquiries:** The Branch responds honestly and promptly to any enquiry or investigation from HMRC, and provides the necessary documentation and information.
- **Seeking advance certainty:** Where there is material uncertainty regarding the tax treatment of a significant transaction, the Branch considers whether it would be appropriate to seek available clearance or other guidance from HMRC.
- **International tax compliance:** Where applicable to the Branch or the wider Group, relevant requirements under international tax transparency regimes, including the global minimum tax rules under Pillar Two and Country-by-Country Reporting requirements, are addressed in accordance with the laws of the United Kingdom and other relevant jurisdictions.

6. Approval and Publication of this Strategy

This tax strategy was approved by the Board of Directors, on [30 September] 2026.

This document is published as the Branch's UK tax strategy under Schedule 19, Finance Act 2016, in respect of the accounting period ending 30 September 2025, and will remain available free of charge for public inspection until the tax strategy for the following accounting period is published.

This tax strategy is reviewed in each accounting period and is re-published for each accounting period, regardless of whether its content has changed.

Publication date: [30 September] 2026

Nihon Shokken Holdings Co., Ltd. London Branch