DBJ EUROPE LIMITED – UK TAX STRATEGY

DBJ Europe Limited

1. Introduction

DBJ Europe Limited ("the Company") is a limited company, domiciled in the United Kingdom. The Company is a wholly-owned subsidiary of Development Bank of Japan Inc., a limited liability company incorporated in Japan. The Directors of the Company consider Development Bank of Japan Inc. to be the ultimate parent undertaking of the Company. The Company is the solo UK entity in the group of companies headed by the parent.

The Company's principal activities comprised of fees and commissions received and receivable for the provision of various finance advisory services to the parent company, Development Bank of Japan Inc., including the arrangement of loan transactions and corporate bond purchases ("debt transactions") especially in Europe, Middle East and Africa.

The tax strategy is fully aligned to the wider strategy of the Company as outlined in its *Corporate Philosophy*. The global group articulates values of public-mindedness and reliability as set out in its core competencies. The Company considers that these values are also central to its tax strategy.

The Company regards this publication as complying with their duty under paragraph 22, of Schedule 19 of Finance Act 2016 to prepare and publish a company tax strategy. The principles set out below apply to the Company in relation to UK taxation.

2. Governance

The Board of the Company is responsible for the governance and the policy of the Company in relation to UK taxation.

The Executive Committee ('EC'), a sub-committee to the Board, is responsible for the day-to-day management of the business operations of the Company by ensuring that an effective internal control framework is maintained.

The Chief Financial Officer ('CFO') is responsible for the day-to-day management of the administration and payment of UK taxation under the Chief Executive Officer's oversight.

3. Tax Risk Management

The Company's objective of its tax risk management is to comply with tax law and legislation and pay the right amount of tax at the right time in the UK.

The Company operates an effective tax control framework in order that it can identify key current and future risks and apply mitigating control activities in order to decrease any inherent risk associated with UK taxation. The key tax risks and associated controls are outlined in the Company's internal policy documents. There are effective channels of communication and monitoring to ensure that any identified risks or changes in business are escalated to the Board or EC. The procedures and workflows for continual tax operations are documented in its policies and manuals which are regularly updated by the CFO and reviewed by the Board or EC.

The Company reduces its tax risks by consulting with external professional firms. Advice is sought from them on the tax impact of significant transactions or any changes in business, as well as recent legislative changes. Furthermore, the Company requests external advisors to prepare or review all tax returns.

4. **Attitude towards tax planning and level of risk**
   The Company has a conservative approach to tax risk and its attitude towards tax planning is consistent with its purpose and value. The Company utilises a tax risk framework to assess and monitor all tax risks and does not undertake purely artificial transactions in order to obtain a tax benefit. All transactions undertaken by the Company are driven by a clear business purpose or commercial rationale.

5. **Relationship with HMRC**
   The Company aims to be transparent and proactive in all tax matters with HMRC. In the case that there were differing legal interpretations between the Company and HMRC in respect of a tax matter, the Company would engage in proactive discussion to get agreement with HMRC and bring the matter to a rapid conclusion.

This tax strategy was approved on 21/09/2018. It has been prepared in accordance with the requirements of the Finance Act 2016.