

UK Tax Strategy

This document sets out the UK Tax Strategy of Trend Micro (UK) Limited in compliance with section 161 and section 22 (2) of schedule 19 Finance Act 2016 for the year ending 31 December 2023.

This Tax Strategy applies to all UK taxes as set out in s15 of Schedule 19 Finance Act 2016 and any reference to 'tax', 'taxes', or 'taxation' are to all taxes as defined within.

This Tax Strategy will be owned by the Board of Directors ('Board') and will be reviewed annually with any proposed amendments ultimately discussed and approved by the Board. The Board is responsible for setting and monitoring the Tax Strategy with finance teams implementing and reporting back to the Board.

All references to 'Trend Micro' or 'the Company' henceforth are a reference to Trend Micro (UK) Limited.

Tax objectives

The Board's objectives are to support the implementation of the Tax Strategy in order to meet the following core tax objectives:

- Implementing and maintaining controls and procedures relating to all taxes;
- Ensure compliance with all legal requirements and to make all appropriate tax returns and tax payments within deadlines;
- We pay the right amount of tax in accordance with the tax laws in all of the territories in which we operate;
- Seek to utilise available tax reliefs and incentives where available in a manner which is consistent with the government's policy objectives;
- Operate in an environment where we consider and manage tax risks in order to maintain a strong reputation and brand.

Risk management and governance arrangements

The Company is committed to ensuring that its tax affairs are open, transparent and compliant with tax legislation and recognises that managing tax compliance is increasingly complex in the modern world.

The Company's internal structure is set up to ensure:

- The Board understand the importance of tax compliance, and how it is achieved;
- There is a constant dialogue between the Board and those individuals tasked with the operation of the finance and tax function, regarding the way the business manages its tax risk; and
- The Company portrays a positive view towards tax compliance and the importance of meeting its obligations.

Through continual review of the tax compliance process the Company seeks to achieve its tax objectives through:

- Seeking external tax advice where required;
- Investing in training for those staff tasked with tax compliance and governance; and
- Maintaining a good relationship with HMRC.

Tax planning and attitude towards risk

We adopt a low-risk approach to tax and do not engage in artificial tax arrangements. The Company undertakes tax decisions and planning as part of its overall business strategy and engages the services of professional advisers to assist with major or complex business decisions in order to fully understand any associated tax risks.

The Company has a strong focus on corporate and social responsibility, and sees responsible administration and payment of taxation as an integral responsibility of the business.

The Company is conscious of the potential adverse publicity attracted by a negative attitude towards tax, and sees strong internal processes and a good relationship with its professional advisers and HMRC as the best way to manage this reputational risk.

Relationship with HMRC

The Company is committed to the principles of openness and transparency in its approach to dealing with HMRC and in particular commits to:

- Make fair, accurate and timely disclosure in correspondence and returns, and respond to queries and information requests openly and honestly in a timely fashion;
- Resolve issues with HMRC in a timely manner, and where disagreements arise work with HMRC to resolve issues by agreement where possible;
- Ensure all interactions with HMRC are conducted in an open, collaborative and professional manner; and
- Disclose and correct any inadvertent errors as soon as is reasonably practical and implement controls to ensure future compliance.

The Company employs the services of professional tax advisers to act as tax agents, and in a number of cases they liaise with HMRC on the Company's behalf. This is seen by the Board as one method of ensuring a collaborative relationship with HMRC, thus reducing tax risk.