

The NOF Group's Tax Policy

The NOF Group shall fulfill its social responsibilities with high ethical standards by adhering to this Tax Policy in accordance with the NOF Code of Ethical Conduct, which serves as the foundation for the implementation of our Corporate Philosophy.

We shall work to appropriately pay taxes while ensuring tax compliance and transparency, thereby earning the trust of all stakeholders.

1. Tax compliance

The NOF Group shall ensure compliance with the tax laws and related regulations of each country and region. We shall also conduct business activities in compliance with standards issued by international organizations such as the Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations issued by the OECD (hereinafter, "OECD Guidelines").

2. Tax governance

The NOF Group shall strive to manage and reduce tax risks by ensuring that a group tax management system is in place to ensure appropriate tax operations, with the Finance Department's Executive Financial Officer having ultimate responsibility. The NOF Group shall work to optimize tax costs by making appropriate use of tax incentives while complying with the tax laws and related regulations of each country and region.

3. International taxes

The NOF Group shall conduct its business activities in compliance with the tax laws and related regulations of each country and region, tax treaties, and standards issued by international organizations such as the OECD Guidelines. We will not engage in international tax avoidance through the use of tax havens that do not have a business purpose or do not exist. For international transactions among Group companies, we will comply with transfer pricing taxation and the OECD Guidelines, and strive to appropriately distribute income to each country by setting prices in accordance with arm's length pricing.

4. System

The NOF Group shall work to establish a system that enables the spread and establishment of tax knowledge among management and employees in order to ensure appropriate tax operations. In the Finance Department, the Group will train and hire human resources with tax experience, plan training and other programs to ensure that staff obtain and maintain an appropriate level of specialized knowledge, and aim to ensure appropriate tax compliance. In cases where tax interpretations are unclear, we will obtain advice from outside experts as necessary. Internal training will be provided to employees outside the Finance Department to ensure that tax knowledge spreads widely.

5. Relationship with tax authorities

The NOF Group shall work to build sound, good trusting relationships with tax authorities in the countries and regions in which it conducts business activities. We will respond to and cooperate with investigations and inquiries by tax authorities in good faith, with timely and appropriate disclosure of information.