

Tax Strategy

1. Compliance

Kawasaki Heavy Industries (KHI) Group companies will act in accordance with the tax laws and their related regulations in all countries, as well as be guided by relevant international standards published by international organizations (e.g., OECD Transfer Pricing Guideline, BEPS Action Plan). And KHI Group companies build sincere and positive relations of trust with the tax authorities in the regions where the companies do business, and strive to pay our tax appropriately.

2. Risk management

In order to maximize the corporate value, KHI Group companies strive to realize the tax management system that one of the ultimate purposes is to minimize the tax risk. Especially, in order to minimize the taxation over the same economic profit in more than one country, KHI Group companies manage the tax risk.

3. Tax planning

In Tax planning, KHI Group companies do not enter into transactions where there is no business purpose and business substance. On the other hand, we strive to understand a legislative purpose of the tax laws and their related regulations in all countries, and aims to use the tax system along with that purpose.

Our published global tax strategy satisfies Schedule 19 of the UK Finance Act 2016, in respect of our financial year ending March 2020.