

# DeNA Group Tax Policy

September 26, 2022

## **Basic Approach**

DeNA Co., Ltd. and all its subsidiaries (hereinafter referred to as the "DeNA Group") are deeply aware of their corporate social responsibility and strive to practice the "DeNA Group Code of Conduct", "DeNA Promise" and "DeNA Quality" in their daily operations, as well as to comply with laws and regulations and to practice behavior that is compatible with social ethics.

From a tax perspective, the DeNA Group is working to raise awareness throughout the Group regarding tax compliance, including compliance with the DeNA Group Code of Conduct and relevant laws and regulations of each country and appropriate tax payments, as well as to build and maintain a tax governance structure. The DeNA Group believes that fulfilling its corporate social responsibility through highly transparent tax management will lead to the maximization of the interests of all stakeholders.

The DeNA Group has established the following basic Tax Policy, a set of principles for proactively managing taxation as a Group as a whole, which was adopted through a board of directors resolution.

## **Compliance with Laws and Regulations**

The DeNA Group will ensure compliance with applicable tax-related laws and regulations and tax treaties in all countries and regions where it conducts business activities, and will file and pay appropriate taxes.

## **Tax Governance Structure**

Tax governance is conducted in accordance with appropriate procedures based on tax-related laws, accounting-related regulations, and internal rules, etc. and each DeNA Group company and its officers and employees strive to comply with such laws, regulations, and internal rules. The tax governance of the entire DeNA Group is overseen by the headquarters accounting department, the lead department under the supervision of the CEO, who is responsible for ensuring that the department has the ability and experience to perform its duties in accordance with these procedures.

In addition, the Group strives to strengthen its internal control system in accordance with laws and regulations, and to ensure the adequacy of tax governance through proper and reasonable tax planning. The Group strives to optimize tax costs and minimize tax risks by strengthening tax governance and developing tax strategies, including the use of preferential tax treatment within the scope of normal business activities.

The Group does not engage in tax planning with the intention of shifting profits to tax havens or light tax jurisdictions or avoiding tax. When investing in countries with light taxation for business reasons, or when tax rates are reduced due to revisions in the laws and regulations of the country of investment or business development, the Group will determine the application of tax haven taxation in accordance with the laws and regulations of the respective countries. As a result, if the investment is subject to anti-tax haven taxation, the Group will file and pay the tax accordingly.

## **Transfer Pricing**

The DeNA Group sets transaction prices among its group companies in compliance with the tax laws and regulations of each country and region, as well as the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations and the Action Plan on Base Erosion and Profit Shifting, when dealing with foreign affiliates. In addition, transfer pricing documentation is periodically updated in accordance with tax-related laws and regulations.

**Elimination of Double Taxation**

The DeNA Group will endeavor to eliminate double taxation by applying tax treaties and mutual consultation among countries and regions in the event that double taxation from more than one country or region occurs on the same economic benefit.

**Relationship with Tax Authorities**

The DeNA Group will strive to build good relationships with tax authorities by submitting tax information and communicating with them in a timely and appropriate manner in accordance with applicable tax-related laws and regulations and requests from tax authorities in all countries and regions where it operates. If there is any uncertainty regarding the application or interpretation of tax laws, the Group will consult with outside experts to resolve the issue in a reasonable and transparent manner. The Group will also endeavor to reach agreement with the tax authorities through the use of Advance Pricing Arrangement (APA), etc., as needed.