

The SBI Group's UK Tax Strategy Statement

This UK Tax Strategy is published in accordance with Paragraph 19(2), Schedule 19 of the Finance Act 2016 and applies to all UK entities of the SBI Group for the fiscal year ending March 31, 2024.

Tax Governance and Risk Management

The SBI Group is committed to building trust with its stakeholders and society by complying with relevant laws and regulations, social norms and corporate ethics in Japan and other countries in which it operates in. In fact, the SBI Group's management philosophies include conducting business based on sound ethical values and fulfilling social responsibilities. These core principles allow SBI Group management to make key business decisions and operate the company within the laws of each jurisdiction, maximize shareholder value and conduct its business in a socially responsible manner.

Based on the principles above, the SBI Group established the "SBI Group Compliance Code of Conduct" which sets certain standards to ensure compliance. Non-compliance is considered to pose risks to the foundation of the company and therefore, all executives and employees are required to comply with the Code of Conduct. From this perspective, the SBI Group's approach to managing UK tax risks is consistent with the standards above as tax compliance is very important to SBI Group's management.

In addition, the UK entities are monitored by SBI Holdings, Inc. on a periodic basis to ensure they are adhering to these standards.

Tax Planning in Relation to UK Taxation

While the UK entities have obligations to maximize shareholder value, they also operate their businesses in accordance with relevant laws and regulations and in a socially responsible manner. As such, any UK tax planning that is considered will ensure:

- it is aligned with commercial and economic activity and does not lead to an abusive tax result; and
- it gives a tax result we reasonably believe is not contrary to the intentions of Parliament.

Level of Risk in Relation to UK Taxation

The UK entities have a low-risk appetite when it comes to managing tax risks. Tax compliance is first and foremost and as such, any UK tax planning involving material levels of tax risks would not be considered. As necessary, external advisors will be consulted to understand the relevant tax issues surrounding potential transactions or structures and the impact they may have on local operations.

Relationship with HMRC

The UK entities have limited interaction with HMRC beyond day-to-day administration of UK tax compliance. This is conducted in an open, transparent and timely manner.