

# Introduction to Group structure

This strategy applies to Webasto in accordance with paragraphs 19 and 25 of Schedule 19 to the Finance Act 2016.

A list of the entities to which it applies is set out below.

The strategy has is being published in accordance with paragraph 16(4) of the Schedule.

This strategy applies from the date of publication until it is superseded. References to 'UK Taxation' are to the taxes and duties set out in paragraph 15(1) of the Schedule which include Income Tax, Corporation Tax, PAYE, NIC, VAT, and Insurance Premium Tax. References to 'tax', 'taxes' or 'taxation' are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which the Group has legal responsibilities.

# Aim

Webasto is committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The group's tax affairs are managed in a way which takes into account the group's wider corporate reputation in line with Webasto's overall high standards of governance.

# Governance in relation to UK taxation

- Ultimate responsibility for Webasto's tax strategy and compliance rests with the Board of Webasto
- The Finance Director is the Board member with executive responsibility for tax matters
- Day-to-day management of Webasto's tax affairs is delegated to the Team leader Accounting, who reports to the Finance Director
- The Board ensures that Webasto's tax strategy is one of the factors considered in all investments and significant business decisions taken

# Risk Management

The Webasto Group based on Germany operates a tax tool helping each of its subsidiaries to be tax compliant

All tax matters are reviewed by Webasto's Group Tax competence centre

Appropriate & regular training is carried out for staff outside Tax team who manage or process matters which have tax implications

For every business transaction (sales, purchases, imports) documentation is provided and stored

Advice is sought from external advisers where appropriate (KPMG LLP)

# Attitude towards tax planning and level of risk

Webasto manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

When entering into commercial transactions, Webasto seeks to take advantage of available tax incentives, reliefs and exemptions in line with tax legislation.

For all new commercial transactions, advice of KPMG LLP is sought.

All tax relevant transactions are also checked by Tax team in Webasto Headquarters in Germany

# Relationship with HMRC

Webasto seeks to have a transparent and constructive relationship with HMRC through regular meetings and communication in respect of developments in Webasto's business, current, future and retrospective tax risks, and interpretation of the law in relation to all relevant taxes.

Any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.

Any audit conducted by HMRC is fully supported by Accounting and Tax Team. All documentation is provided in due time.

# Relationship with HMRC

Recent activities:

- Making Tax digital. Webasto has used the required digital link towards HMRC
- Brexit: ERP system supports postponed VAT accounting

# Legal and ethical

**We act lawfully and with integrity and expect the same from our people, tax authorities and other parties with whom we interact.**

In every respect our work shall be fully compliant with legal and regulatory requirements and in our behaviour we aspire to the highest professional and ethical standards.

We shall not act in such a way as to undermine the structure of the tax system.

We shall not entertain arrangements that evade tax or that rely, to any extent, in the authorities inability to collect it.



# Transparency

**We support a relationship with tax authorities, based upon mutual trust and respect which will enable constructive dialogue and responsiveness by all parties in order to fulfil our responsibilities to our firms' clients.**

We shall comply with all our disclosure requirements  
Any documentation required by HMRC is accessible

# Transparency

## Current activities

Webasto is currently enhancing the management system to monitor all imports made  
Guidance from Webasto Group headquarters is given with an updated internal  
Customs Guideline

This comprises import from non-EU as well as EU member countries in order to be  
able to also correctly track and declare imports considering BREXIT

This management system will help to document in a more transparent way, includes  
collaboration with agents declaring on behalf of Webasto, and checking the  
declarations itself to make sure duties are paid correctly

# List of entities covered by this Tax Strategy

*Webasto Roof Systems Ltd*

*Webasto Holdings Ltd*

*Webasto Thermo & Comfort UK Limited*