UK Tax Strategy

Our UK tax strategy for the Year Ended 31 December 2019 is published in compliance with Schedule 19 of Finance Act 2016, and as required by paragraph 16 of that act. We confirm that this strategy will apply to BYD (U.K.) Co., Ltd (the “Company”).

Management of UK tax risks

The board of Directors are committed to ensuring that that the Company is in compliance with UK tax legislation. The board ensures adequate professional assistance is employed so as to identify and assist in reducing any tax risks that could arise as a result of the size, complexity and structure of the business.

We employ the services of professional firms based in the UK to carry out all of our UK tax compliance functions such as the completion of Corporation Tax returns, PAYE filings, VAT returns etc. Professional advisors are also relied upon to flag any changes to legislation and alert the Company of any new tax obligations that may arise.

The board of Directors oversee all tax compliance matters and final decisions are made by the board collectively.

It is our policy to continually maintain a low tax risk by ensuring that there is adequate resource available to achieve effective and quality tax compliance.

Attitude towards tax planning

All of our tax related decisions are driven by the underlying commercial needs of the business. We do not engage into any transactions solely to reduce or avoid paying tax. We recognise that it is our duty to pay the correct amount of tax in accordance with the law.

We will take appropriate professional assistance to help us pay the correct amount of tax. The corporate structure of our business is based on commercial needs and professional assistance would only be sought to maximise tax efficiencies within the commercial structure.

Level of tax risk

Our policy is to maintain a low tax risk ethos in all of our tax related considerations. We promote a high standard of transparency in all of our tax compliance filings and dealings with our professional advisors and H M Revenue & Customs.

As our ultimate parent, BYD Company Ltd, is a publicly-listed company on the Hong Kong Stock Exchange. We do not have any single or major group of stakeholders who influence decisions that may increase the level of tax risk we are prepared to take.

We operate in line with the policies adopted by our ultimate parent, BYD Company Ltd.

Working with H M Revenue & Customs

We work with H M Revenue & Customs with the help of our professional advisors. These professional advisors assist us in meeting all statutory and legislative tax requirements.

Our advisors are also relied upon to highlight any past, present or future tax risks that the Copmany may face and our policy is to deal with any such risks on an open, forthcoming and transparent basis.