

Our Basic Stance on Tax

LIXIL believes that a consistent and responsible position on tax is one of the essential elements for our sustainability strategies. In that context, we maintain the following stances on tax:

Compliance

Taxes shall be properly paid in accordance with all relevant tax laws and regulations in the countries in which we conduct businesses.

Integrity is one of the crucial components of LIXIL VALUE.

Monitoring

LIXIL adequately monitor its tax-related risks containing compliance through frameworks, including periodical reviews of intra-group pricings supported by external professional firms.

Business Rationale

Profits should be attributable to countries in which economic value is created in accordance with domestic and international rules and standards (including the OECD's Transfer Pricing Guidelines) based on the arm's length principle.

LIXIL does not seek to reduce tax burdens through artificial structures without business rationale and substance.

Relationship with tax authorities

LIXIL seeks an open and constructive dialog with tax authorities disclosing relevant facts and documents.

Transparency

Disclosures for corporate taxes are made in accordance with the relevant regulations as well as applicable reporting requirements and standards such as JGAAP or IFRS.

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