



TOMTOM'S APPROACH TO TAX

TomTom views taxation as an integral part of the business and as a contribution to a sustainable society. We appreciate the public attention to and advocacy on tax and we use this as an important guiding principle in our approach to tax. In this context, views and concerns of internal and external stakeholders are addressed and considered in our approach to tax if needed.

TomTom's Tax Approach aligns with our company values: *we care, we build trust, we are confident, we keep it simple and we have fun.*

1. Our tax commitment

Building a better world is core to TomTom's business strategy (for more detail, reference is made to the Sustainability and Tax Principles sections in our 2024 Annual Report). In line with this strategy, we view taxation as an important contribution to a sustainable society. The various taxes we pay are an important source of funding of public services provided by governmental institutions in the countries where we operate.

TomTom is not required to file a (Public) Country-by-Country Report.¹ However, we voluntarily publish our net corporate income tax, payroll tax and value added tax payments per region in our Tax Contribution Report (see Annex), reflecting that TomTom pays tax in the regions where we operate. TomTom is not subject to material ESG taxes like carbon, plastics, or sugar taxes.

TomTom collects and addresses the views of internal and external stakeholders. For example, as part of our ESG program TomTom requests stakeholders to share their most material ESG topics; whereby Tax is one of the topics. For our most important ESG topics TomTom has defined KPI's on which we obtain limited assurance by the auditor.

TomTom has committed to the Dutch Tax Governance Code for multinational companies, as coordinated and published by VNO-NCW.² When appropriate, TomTom engages in national and international dialogue with governments, business groups and civil society to support the development of effective (tax) systems, legislation and administration.

2. Business rationale

Tax follows our business. Through regular reviews of business developments, TomTom monitors the alignment of the Tax approach with our business. The Tax approach is inclusive of all TomTom entities and all countries where TomTom operates. TomTom is relatively centrally organized with key decision-making generally taking place at the HQ in the Netherlands. In addition, we have value adding activities (mainly engineering activities) in multiple other countries. In accordance with domestic and international tax rules,

arm's length profit is allocated and taxes are paid in those countries. We do not use tax havens³ or special purpose vehicles for tax avoidance purposes (*we keep it simple*). In addition, we accept tax incentives primary related to innovation offered by governments to support investment, employment, and economic development, while striving to implement these incentives in the manner intended by the relevant statutory, regulatory, or administrative framework.

TomTom currently benefits from tax incentives linked to qualifying R&D activities conducted in the Netherlands, Belgium, and Poland, which yield credits for wage tax and corporate income tax. These incentives are in principle applied for on an annual basis.

3. Compliance and monitoring

TomTom is subject to taxation in the countries where we operate. Taxes are paid in accordance with the relevant rules and regulations in these countries. We aim to comply with both the spirit and the letter of the law. TomTom supports (OECD and other) initiatives promoting responsible tax management. TomTom's intercompany transfer pricing is based on the arm's length principle and supported by benchmarks and transfer pricing studies (*we build trust*). Tax disclosures are made in accordance with relevant domestic regulations as well as applicable reporting guidelines and standards, such as IFRS.

TomTom adheres to its policy in submitting all tax returns in a complete, accurate and timely manner to all tax authorities. To do so, TomTom is actively using and implementing technologies to facilitate data management and improve efficiency of our tax compliance processes and controls. We monitor compliance overviews generated by technological solutions, we review legislative changes in the countries where we operate, and we hold regular meetings with business stakeholders to exchange relevant information timely. In addition, regular trainings for business, finance and legal teams are organized to raise awareness and provide education on relevant tax developments to safeguard that TomTom's approach to tax remains properly embedded in the relationships with employees, customers and contractors.

4. Tax risk management and control framework

TomTom's approach to tax risk management is to mitigate any tax risks to the extent possible. For example, a potential risk area is lack of awareness by the business to tax implications/developments, potentially leading to unintended tax implications. The TomTom Tax team is pro-actively mitigating this risk by regular meetings with internal stakeholders, in which relevant tax developments are discussed. Latest developments are monitored (e.g. by monitoring tax literature and attending trainings by external parties) and shared with relevant

¹ TomTom does currently not meet the materiality threshold of EUR 750 million consolidated group revenue.

² <https://www.vno-ncw.nl/taxgovernancecode>

³ Countries included on the OECD or EU list of non-cooperative jurisdictions for tax purposes.



departments within TomTom. In addition, TomTom has implemented tools to mitigate risks of late filings and penalties.

TomTom has a dedicated Internal Control and Internal Audit department who are responsible for risk management and overall coordination of TomTom's Control Framework, including our Tax Control Framework (TCF) and measuring its effectiveness. In the Control Framework, business processes and associated risk mitigation measures are defined including responsible parties and applicable controls. Monitoring of the controls takes place through bi-annual assessments and sign off. In addition, the Internal Control department performs ongoing monitoring activities and periodic reviews. The TCF provides awareness and assurance of adherence to our tax policies, including the alignment with TomTom's organizational values and business strategy.

The procedures described above provide for efficient monitoring of the implementation and execution of TomTom's Approach to Tax.

5. In control statement, accountability, and governance

The TomTom Tax team is in control of the tax position of TomTom. While securing tax compliance, we operate as a partner to the business providing solutions to support our business.

The Supervisory Board (represented by the Audit Committee) receives regular updates on the tax position during quarterly meetings. TomTom's approach to Tax is discussed with and signed off by the Management Board and Supervisory Board annually or more frequently if needed. The Supervisory Board reviews and provides input to TomTom's Approach to Tax as appropriate.

The whistleblower policy outlined in our Code of Conduct is applicable for any reported concerns regarding tax.

6. Relationship with authorities

TomTom maintains and builds mutual professional, respectful, open, and transparent relations, and communications with local tax authorities (*we build trust*). We cooperate promptly and transparently with tax authorities; we cooperate on tax audits and proactively reach out on interpretation of the laws if needed. TomTom may engage in tax rulings to make use of incentives promoted by government authorities (generally R&D incentives). TomTom does not seek tax rulings for tax avoidance purposes.

TomTom entered into a cooperative compliance agreement with the Dutch tax authorities (*Horizontaal Toezicht*).

Amsterdam, March 2025



Annex – Tax Contribution Report

Taxes provide governments with the indispensable funds to operate and provide public services that benefit society as a whole such as education, healthcare and infrastructure. TomTom views taxation as an important contribution to a sustainable society and as an integral part of doing business. This section outlines TomTom's tax contributions for 2024.

Corporate income taxes

Corporate income taxes are paid based on taxable profits and borne by TomTom as a taxpayer. TomTom's taxable profits are calculated in accordance with our OECD-based transfer pricing model and local tax rules. Corporate income taxes include withholding taxes deducted by customers on our invoices and withholding taxes on dividend distributions.

The overview to the right shows TomTom's corporate income taxes paid and TomTom's corporate income taxes accrued in 2024 on a country-by-country basis.

The income taxes paid and income taxes accrued generally reflect the geographic distribution of TomTom's operations. The largest sums are paid and accrued in the Netherlands, primarily because of withholding taxes. In line with guidance on Country-by-Country Reporting under the OECD's BEPS13 action plan, withholding taxes have been allocated to the country of the taxpayer and not to the countries where the taxes were withheld. In Poland, TomTom qualifies for an R&D incentive for innovative projects reducing the net tax cash out.

The amount of annual income tax paid and income tax accrued per country in 2024 is as follows:

(€ in thousands)	Income tax paid	Income tax accrued
Netherlands	(5,633)	(5,276)
Poland	2,080	1,876
USA	(1,407)	(579)
India	(1,038)	(906)
Belgium	(690)	(539)
South Africa	(276)	(237)
Germany	270	(685)
Taiwan	(170)	(106)
Spain	(158)	(185)
Thailand	(158)	(55)
France	96	(52)
Japan	(92)	(116)
Indonesia	(91)	(45)
Australia	(80)	(70)
Italy	(61)	(80)
Serbia	(59)	(57)
Austria	33	-
Sweden	26	8
Chile	18	(0)
Brazil	11	(10)
Finland	(10)	(8)
China	(8)	(5)
United Kingdom	(4)	437
Russia	4	(18)
Denmark	(4)	(4)
Canada	(3)	(11)
Malaysia	(3)	(1)
Turkey	(1)	(18)
Korea	(1)	(14)
Czech republic	(1)	(1)
Mexico	-	(10)
Singapore	-	(0)
Switzerland	-	(0)
New Zealand	-	0
Norway	-	1
United Arab Emirates	-	(5)
Hungary	-	(0)
Total income tax	(7,408)	(6,773)



Payroll taxes and indirect taxes

In addition to income taxes, TomTom's local business activities also create a responsibility to collect and pay other types of taxes like payroll taxes and indirect taxes. By collecting and paying these taxes to local authorities, TomTom provides a meaningful contribution to the countries in which it operates.

Payroll taxes are paid by TomTom to authorities in the form of wage taxes and social security contributions, for example. These payments partly consist of employer's contributions, but the majority is withheld from wages paid to employees and are as such remitted on behalf of our employees. The overview to the right shows payroll taxes remitted by TomTom.

Indirect taxes such as value-added tax (VAT) are consumption taxes, meaning that they are not directly levied on income or profits but are instead imposed on goods and services. For companies, indirect taxes typically have an output (indirect taxes collected on sales) and input (indirect taxes paid on purchases) element. The overview to the right shows TomTom's net VAT amounts paid, being the balance between output VAT and input VAT.

In addition to the taxes mentioned above, we also contribute to society by means of other types of taxes such as customs duties, packaging taxes, environmental taxes and batteries taxes. However, considering the nature of our business these taxes are not material for us.

The information in this section provides an overview of TomTom's net payments of taxes. As is reflected, taxation is an important part of our business and taxes are paid in the regions in which we operate.

The amount of payroll taxes remitted by TomTom across different regions in 2024 is as follows:

(€ in thousands)	2024
Europe	(106,652)
North America	(9,761)
Rest of world	(7,227)
Total payroll tax	(123,640)

The net amount of indirect taxes paid by TomTom across different regions in 2024 is as follows:

(€ in thousands)	2024
Europe	(13,452)
North America	(456)
Rest of world	340
Total net indirect tax	(13,569)