

## **TOMTOM'S APPROACH TO TAX**

TomTom views taxation as an integral part of the business and as a contribution to a sustainable society. The taxes we pay are an important source of funding of public services provided by governmental institutions in the countries where we operate.

### **Compliance and monitoring**

TomTom is subject to taxation in the many 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. We have procedures and controls in place to monitor compliance on a regular basis; this is also monitored by our Internal Control and Internal Audit department. We are actively using and implementing new technologies to facilitate data management and improve efficiency of our tax compliance processes and controls. The Audit Committee receives quarterly updates on the tax position. The whistleblower policy outlined in our Code of Conduct is applicable for any reported concerns regarding tax.

### **Business rationale**

Tax follows the business. Based on regular reviews of business developments, we monitor the alignment of our Tax approach with our business. Profit is allocated to countries in which value is created, in accordance with domestic and international rules and standards, including applying the arm's length principle. We do not use tax havens for tax avoidance purposes.

### **Relationship with authorities**

TomTom maintains and builds mutual professional, respectful, open and transparent relations and communications with local tax authorities. TomTom entered into a cooperative compliance program in the Netherlands.

### **Transparency**

Tax disclosures are made in accordance with relevant domestic regulations as well as applicable reporting guidelines and standards, such as IFRS.

TomTom's approach to Tax is monitored, discussed with and signed off by the Management Board and the Audit Committee.

Amsterdam, September 2020