



Cheil Europe Ltd  
10, Queen Street Place  
London, EC4R 1BE, UK

## Tax Strategy

(Effective Date: 01/03/2025)

This document outlines the tax strategy of Cheil Europe Ltd, a subsidiary of Cheil Worldwide Inc., headquartered in South Korea. It complies with Schedule 19 of the Finance Act 2016 and applies to all UK operations within the Cheil Group.

### 1. Introduction

As part of Cheil Worldwide Inc., a leading global marketing and communications group headquartered in Seoul, South Korea, Cheil Europe Ltd is committed to full compliance with UK tax laws while aligning with Cheil Worldwide's global tax governance framework.

We ensure that our tax practices reflect transparency, responsible tax management, and compliance with international regulations, including UK tax legislation and OECD guidelines. This tax strategy is reviewed annually and is publicly available in accordance with UK legislation.

### 2. Tax Governance and Risk Management

We have a structured approach to tax governance, ensuring that all UK tax obligations are met in a timely and accurate manner. Our tax management framework consists of:

- **Board and Executive Oversight:** Ultimate responsibility for Cheil Europe Ltd's tax strategy and compliance rests with the Board of Directors. Day-to-day management of tax affairs is delegated to the Chief Financial Officer (CFO).
- **Tax Function & Expertise:** Our UK finance team, in collaboration with Cheil Worldwide's global tax function, is responsible for managing tax compliance and reporting. Appropriate training is provided for staff responsible for tax compliance to ensure adherence to applicable laws and regulations.
- **Use of External Advisers:** We engage professional tax advisers and legal counsel when necessary to obtain opinions on tax legislation and principles, ensuring compliance with UK regulations and international tax standards.
- **Risk Management:** We seek to reduce the level of tax risk arising from our operations as far as reasonably practical by applying a structured risk management framework. This includes maintaining a tax risk register to identify, assess, and manage tax risks, ensuring that any risks are mitigated where possible.



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### 3. Approach to Tax Planning

Our approach to tax planning is guided by business substance and legal compliance, ensuring that:

- All tax decisions are commercially driven and aligned with UK tax laws.
- We do not engage in aggressive tax avoidance schemes or artificial structures.
- We utilise tax reliefs and incentives responsibly, in accordance with government-intended policies.
- Our transfer pricing policies comply with OECD guidelines, ensuring arm's-length pricing in all intercompany transactions with Cheil Worldwide Inc. and other group entities.

We maintain a transparent and ethical approach to tax planning, ensuring that our global business structure reflects genuine economic activities.

### 4. Tax Risk Appetite

At Cheil Europe Ltd, we maintain a low-risk approach to taxation, ensuring that all tax decisions are made in compliance with UK legislation and international best practices. We seek to reduce tax risk as far as reasonably practical by applying a structured risk management framework.

We are committed to full compliance with all statutory obligations and operate in a transparent and responsible manner when managing tax matters. To achieve this, we:

- Identify, assess, and manage tax risks in line with our business operations, ensuring that they are mitigated where possible.
- Engage with professional tax advisers to ensure that our tax positions are well-founded and compliant with applicable laws.
- Provide appropriate training and guidance to staff involved in tax-related matters to ensure compliance with evolving regulations.
- Maintain a tax risk register, allowing us to proactively monitor, document, and address potential risks as part of our governance process.
- Commit to global tax transparency, ensuring full disclosure of relevant information to tax authorities where required.

Our tax governance framework is aligned with the principles of accountability, compliance, and prudent risk management, ensuring that we operate with integrity in all tax-related matters.



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## 5. Relationship with HMRC

We maintain a transparent and constructive relationship with HMRC, in line with our corporate values. Our approach includes:

- Full compliance with UK tax regulations, including timely tax filings and payments.
- Open communication with HMRC, providing relevant information when required.
- Proactive discussions to resolve tax matters, ensuring compliance with UK tax laws.

Where appropriate, we engage with HMRC's cooperative compliance programmes and seek advance rulings or clearances on complex tax matters.

## 6. Compliance and Reporting

Cheil Europe Ltd ensures full compliance with UK tax obligations, including:

- Corporation Tax
- Value Added Tax (VAT)
- Employment Taxes (PAYE, NICs, etc.)
- Transfer Pricing and International Tax Compliance

We align with OECD guidelines and UK tax legislation to ensure proper compliance with all relevant regulations.

## 7. Publication and Review

The Tax Strategy is:

- Published on our company website to ensure public accessibility.
- Reviewed annually to remain aligned with UK tax law and Cheil Worldwide's global tax policies.
- Approved by the Board of Directors and the global tax team of Cheil Worldwide Inc.