

Tax policy: Financial year ending 31 December 2020

This policy applies to Eltek Power (UK) Ltd.

Our tax policy comprises following key components:

TAX POLICY

We aim to be tax compliant. Taxes are paid according to local tax laws and regulations in countries where we operate. However, taxes are to be optimized and managed efficiently to help sustain our long term business growth. We also see tax as an important part of our social responsibility and sustainability development.

Our strategy is to:

1. Establish and improve tax governance processes that ensure tax compliance, disclosure and filing obligations in the relevant jurisdictions;
2. Keep update and improve knowledge on relevant taxation in the countries where we operate;
3. Seek advice from top tier tax and accounting firms to obtain expert for the advice and opinions on tax matters;
4. Work in a collaborative, transparent and proactive way with tax authorities so we can understand the tax issues and manage tax risks properly and reduce compliance costs or penalties; and
5. Follow the international and/or regional development trend in tax requirements such as OECD Transfer Pricing guidelines, Action Plan on Base Erosion and Profit Shifting (BEPS Action Plan) and comply with local Transfer Pricing requirements, tax regulations and rules.

We regards this publication as complying with the duty under para 16(2) and para 25(1), Sch 19 FA16.