

HONOR TECHNOLOGIES (UK) CO., LTD

UK Tax Strategy - FY2023

Introduction

Honor Technologies (UK) Co., Ltd ('Honor UK'), incorporated in the United Kingdom on 22 January 2021, is a distribution company of the Honor Group which is a mobile devices manufacturer in China.

The principal activities of the company are importing and distributing of smart phones, PCs, wearables, and other related accessories in the UK.

In accordance with the requirements of the Finance Act 2016, Honor UK published the tax strategy for the year ended 31 December 2023 and will be reviewed annually.

Tax risk management and governance arrangement

Honor UK is committed to complying with UK tax legislation where applicable and has a low appetite towards tax risk.

With responsibility delegated to local and EU tax team, Honor UK has in-house tax specialists with extensive knowledge and experience. Honor UK also has external tax advisors to cooperate with for a strong control across all major UK taxes, including VAT, corporation tax and employment tax.

We follow the Honor Group risk management processes and policy to identify and manage the tax risk and review the process regularly. We routinely seek professional advice where required, or a situation is uncertain. The Board of Directors of the company will oversee the tax strategy to meet the obligations of tax legislation.

Tax Planning

Honor UK will undertake tax planning to support commercial and investment needs. Factors are always considered in accordance with legislation, based on this, we seek to mitigate potential tax risk, and explore available tax incentives and reliefs. However, the tax planning is not for the purposes of avoiding paying tax.

Relationship with HMRC

Honor UK is transparent to HMRC and act in a positive and professional manner to deal with authorities' enquiries. When information is required from the HMRC, we always communicated in an open way and on basis of full disclosure of facts. In 2023, Honor UK proactively seek to engage with HMRC for the OECD Pillar 2 update. We will continue to build good relationship with HMRC.