

# Berlitz U.K. Limited

## U.K. Tax Strategy

Berlitz, the world's premier provider of language training and intercultural services, is wholly owned by Benesse Holdings, Inc., a publicly quoted company based in Japan which conducts business in the fields of domestic and global education, senior nursing care and childcare, giving customers the support to make the best lifestyle choices.

This document sets out the Berlitz policy and approach to conducting its tax affairs in the U.K. and dealing with U.K. tax risk. It is effective for the year ending December 31, 2018 and is published to comply with Schedule 19 of the Finance Act 2016.

### Managing U.K. tax risk

Berlitz U.K. will follow the group tax governance policies of the Benesse Group which seek to ensure that each group entity is compliant with local tax laws and regulations, including tax return filing and tax payment obligations. The tax policy is administered by the managing director under the supervision of the Senior VP, Finance and Taxation of Berlitz Corporation, with ultimate responsibility to the Group Tax Supervisor of Benesse Holdings. Where there is potential uncertainty or complexity, external advice may be obtained.

Berlitz U.K.'s tax affairs and tax risk management procedures are regularly reviewed to ensure that tax risks are identified, assessed, managed, and mitigated in alignment with the Group's business strategy and governance framework.

Berlitz U.K. does not engage in artificial tax arrangements, and all reporting is in line with the company's commercial transactions. The company seeks to avoid taking any tax positions that might incur reputational risk.

### Tax planning

As a subsidiary of the Benesse Group, Berlitz UK will thoroughly comply with tax laws and regulations of the U.K., and fulfill all tax payment obligations. Within that framework, the company will seek to optimize its tax liabilities by proactively applying reliefs and incentives allowed by tax laws, and eliminating double taxation through planning, in order to increase corporate value.

### Relationship with HMRC

Berlitz policy is to have an open, honest, and transparent relationship in all tax matters with HMRC. We aim to respond to information requests in a timely fashion, to provide full disclosure, and to settle all liabilities when due.