

## **Dura Automotive Systems UK Tax Strategy Report**

Tax Strategy Disclosure: Financial year ending 31 December 2017

### **Context and commitment to compliance**

This strategy applies to the U.K. subsidiaries ("Dura UK") of Dura Automotive Systems, LLC ("DAS"). DAS consolidated is a leading global independent designer and manufacturer of driver control systems, structural body systems, exterior trim, and integrated glass systems. DAS has a presence in 15 countries worldwide with over US \$1.2 billion in turnover. DAS is headquartered in Auburn Hills, Michigan, US.A. Dura U.K.'s manufacturing activities are based in Birmingham, U.K. and include the manufacturing and supply of structural body and trim automotive components.

Dura U.K. takes its responsibility as an employer and taxpayer seriously in the U.K. DAS believes in cultivating people, not politics; innovation; simplicity; the pursuit of truth; transparency; accountability; doing well by doing good; relentless improvement; achieving excellence; the possibility of the impossible; and doing the right thing, the right way, for the right reasons. This can be found in the DURA code of conduct at [http://www.duraauto.com/wp-content/uploads/2018/05/DURA-CoC\\_Code-of-Conduct.pdf](http://www.duraauto.com/wp-content/uploads/2018/05/DURA-CoC_Code-of-Conduct.pdf). This directly relates to complying with tax law and practice in the UK. Compliance for Dura U.K. means ensuring the right amount of tax is included in all relevant UK tax returns and involves disclosing all relevant facts and circumstances to HMRC while claiming reliefs and incentives where available. Dura U.K. strives to comply with tax laws (including OECD principles) in a responsible manner and to having open and constructive relationships with tax authorities.

### **Approach to tax risk management and governance arrangements**

As global parent, DAS holds ultimate responsibility for the taxation affairs of Dura U.K. The responsibility for more detailed oversight of UK taxation is delegated to the UK-based Finance Director. The UK Board approve, own, and oversee the development and implementation of this tax strategy and ensure that it is aligned with the DAS Creed. Dura U.K.'s tax strategy is reviewed annually with the U.K. finance team and our external advisors.

In Birmingham, the U.K. Finance Director manages a UK-based finance team who are responsible for day-to-day management of Dura U.K. tax matters, including managing Dura U.K. compliance processes and tax contributions. Dura U.K. are supported in their tax compliance duties by external tax advisors who assist in meeting our compliance obligations in the UK, as well as supporting the UK Finance Director to identify, manage and where possible eliminate UK tax risk. However, responsibility for managing tax risk ultimately remains with DAS and its management team as global parent entity.

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

### **Attitude towards tax planning**

The Dura U.K. does not pursue aggressive tax planning arrangements. Dura U.K. seeks to be efficient in our tax affairs and so will take advantage of any reliefs, such as capital allowances and incentives that are available to Dura U.K. but in the spirit in which they were intended. This means that any

commercial and economic factors (of which tax is one) will be considered in thinking with both DAS and Dura U.K.'s reputation, responsibilities as a UK taxpayer and the potential risk to the brand.

#### Level of tax risk accepted

Dura is a global brand that highly values its reputation and commercial success in the automotive industry and so it is important that we have a low tolerance to tax risk globally and in the UK. Should UK tax risks be identified these are raised with the global tax department. The tax department will work with the UK team and external tax advisors to manage these risks. The UK entities maintain robust processes for managing their tax affairs in the UK.

#### Approach to dealing with UK tax authorities

Dura engages with the UK tax authorities across all taxes with honesty, integrity, respect and fairness. We are transparent and proactive with tax authorities about our affairs and provide all relevant information that is necessary for them to review possible tax risks including all relevant tax filings, tax reports and tax payments. Where there is a dispute as to events or the interpretation of law, we aim to resolve matters through active discussion and in the spirit of cooperation.