

**UK Tax Policy Statement**  
**Harley-Davidson, Inc. and Subsidiaries**  
**Financial Year ended 12/31/17**  
**Published on 12/15/17**

## **Overview**

Harley-Davidson, Inc. (NYSE: HOG) is headquartered in Milwaukee, WI and is the ultimate parent company of two UK subsidiaries, Harley-Davidson Europe, Ltd. and Harley-Davidson Financial Services Europe Ltd. This UK tax policy statement is published to comply with guidance under Schedule 19 of the UK Finance Act 2016 for the entities and period stated above.

The Harley-Davidson Code of Business Conduct and Valued Behaviors provide a framework to guide the actions of all Harley-Davidson employees and members of our Board of Directors. The Code of Business Conduct is intended to promote honest and ethical conduct, responsibility and accountability and is complemented by other policies and procedures such as our Financial Code of Ethics, Internal Control Policy and our Global Compliance and Ethics Program. These policies are not limited in scope and therefore apply to UK tax matters, specifically our governance, risk management, tax planning and customer relationships which include those with Her Majesty's Revenue and Customs (HMRC).

## **Governance and Risk Management**

We are committed to complying with all applicable UK tax laws, filings and reporting disclosures. We have an established network of internal and external tax and finance professionals who are knowledgeable on the various direct and indirect UK taxes and who monitor ongoing tax law changes as well as changes in our business so that we may adapt our processes and deliverables accordingly. This network, along with our framework of internal policies and controls seeks to ensure the complete and accurate communication of UK tax positions and risks to Company leadership, our board of directors and shareholders as needed through our established governance and reporting processes.

## **Tax Planning and Risk**

Our approach to tax planning is to develop holistic tax-efficient solutions in response to business initiatives. We align tax planning to the Company's operational objectives and goals in a manner that provides value by minimizing our consolidated tax risks and liabilities. Our Code of Business Conduct dictates that "Our intent is to conduct business in a way that conforms to the letter of the law while promoting the spirit of the law including core concepts like fairness, integrity and honesty." We have a low tolerance for tax risk and strive to obtain certainty for our financial reporting obligations and prevent any potential negative impacts to our shareholders, Company's reputation and brand.

## **Relationship with HMRC**

Harley-Davidson is committed to fostering positive, transparent and respectful relationships with HMRC. We have a positive record of working collaboratively with HMRC to address inquiries and resolve any differences of opinion on the interpretation or application of tax law to our facts in an honest, ethical and cooperative manner and in line with established avenues of dispute resolution.