

Solventis Limited – Tax Strategy

Overview

This document sets out the tax strategy of Solventis Limited and all of its subsidiaries (collectively, “The Group”) as it relates to the handling of taxes and dealing with tax risk. Our tax strategy has been developed and published in line with the requirements of paragraph 16(2), Schedule 19, Finance Act 2016.

It is effective for the financial year ending 31 December 2024 and was approved by the Board of Directors on 16 November 2023.

Company Tax Strategy

The Group is committed to handling its tax affairs consistent with the following principles.

1. The Group will comply with all applicable laws, rules, regulations, and reporting and disclosure requirements, as necessary;
2. The Group recognises the requirement for specialist knowledge of tax and employs the services of external accounting firm tax professionals to assist with all tax matters. This will include computation of our corporation tax; specialist knowledge in VAT and setting up our accounting and reporting for VAT; Advice on employment related taxes, transfer pricing and any other tax related matters;
3. The Group will apply professional diligence and care in the management of all risks associated with tax matters, and ensure governance and assurance procedures are appropriately applied;
4. The Group will develop and continue constructive, professional and transparent relationships with tax authorities, based on integrity, collaboration and mutual trust.

For the purposes of this document, Tax or Taxation refers to:

- All Corporate income tax
- Indirect tax
- Employment tax
- Other applicable taxes as they should fall due.

The tax strategy in more detail:*1. Approach of the Group to governance in relation to taxation.*

We operate a strong governance framework and a robust risk management process, overseen by our Board of Directors.

Part of a strong governance framework involves maintaining high standards of business conduct, ethics and corporate responsibility. The Board of Directors have adopted and disseminated, throughout the organisation, a Code of Conduct, Compliance and Business Ethics.

The Code requires employees to comply with all relevant laws and regulations; including making full, accurate and timely disclosures to regulators, legislators and Government bodies, where appropriate.

The responsibility for tax ultimately rests with the Board of Directors. The process of reporting, reviewing and calculating tax is carried out on a monthly basis by the senior finance team. along with input from external professional advisors where appropriate.

The Board of Directors receive a report on the tax status of the Group at least twice annually. To the extent that material tax matters arise outside of these timescales a separate report is made to the Board by the Chief Financial Officer.

2. Approach of the Group to risk management in relation to taxation.

The Group has a limited number of professional accountants however does not have a dedicated Tax Department. As such the Group will seek advice from external professionals as appropriate to ensure the accuracy and timely reporting of tax matters and compliance. Professional care and judgement are applied in reviewing tax risks to make rational decisions on how the risks should be managed. In cases where there are material uncertainties as to the application or interpretation of tax law necessary written advice supporting the facts, risks and conclusions will be prepared internally, or requested from external professional advisers, to support the decision-making process, as appropriate.

Where appropriate, the Finance Department will engage with the tax authority to disclose and resolve issues.

We generally have a low appetite for tax risk and will proactively engage with external professional advisors and tax authorities where there is a material uncertainty. We are committed to reducing tax risk and take a risk-based approach in the territories within which we operate.

3. Tax planning.

Our approach to tax planning is underpinned by our Code of Conduct, Compliance and Business Ethics.

As a responsible organisation we believe that we have an obligation to act with honesty and integrity in all tax matters; we therefore seek not just to comply with the letter of the legislation but also with its spirit.

In structuring our commercial operations, we often make use of available incentives and reliefs. All decisions are made based upon sound commercial rationale and we do not enter into wholly artificial or aggressive tax planning schemes.

Furthermore, the Group balances this responsibility with its commitment to its shareholders, customers, and other stakeholders in ensuring affairs are constructed in a stable, efficient manner.

4. Relationships with tax authorities

We aim for a proactive, open, and transparent relationship with all relevant tax authorities in order to facilitate us in meeting our statutory and legislative obligations.

Where tax law may be unclear or subject to interpretation we will, where appropriate, seek to engage proactively with the relevant tax authorities in order to obtain clarity and certainty; using external professional advisors to assist in the process where necessary. For large transactions, where there may be material uncertainty, we would consider seeking clearance from the relevant tax authorities prior to execution.

The Group commits to:

- adopt open and collaborative professional relationships on every occasion with HMRC;
- engage with the tax authorities where material uncertainties exist or where it is appropriate to seek tax clearance prior to a transaction;
- provide fair, accurate and timely disclosures in correspondence and returns, and answer to queries and information requests within a reasonable time frame;
- resolve issues with HMRC in real time, and before returns are filed where reasonably possible, and if there are disagreements, look in co-operation with HMRC for resolutions to resolve issues (where possible);
- be open and transparent about decision-making, governance and tax planning;
- reasonably believe that transactions are structured to give a tax result which is not inconsistent with the economic consequences (unless specific legislation anticipates that result), nor contrary to the intentions of Parliament; and
- interpret the relevant laws in a reasonable way and ensure transactions are structured consistently with a co-operative relationship.