

# Canopus UK group (“the group”)

## Group tax strategy

The following sets out the group’s approach to tax compliance and planning and the principles that underlie dealings between the group and HM Revenue & Customs (“HMRC”).

## Basic principles

The group recognises the overriding importance of a positive and constructive relationship with HMRC and regards the following principles as fundamental in relation to its dealings with HMRC:

- Transparency
- Full disclosure
- Cooperative approach
- Robust technical analysis

## Governance

The group’s Head of Tax is responsible for oversight of corporate tax reporting and compliance for all entities in the group. The group’s Human Resources department is responsible for all employee remuneration related tax and social security reporting and compliance. The group’s Chief Financial Officer acts as the Senior Accounting Officer within the meaning of Schedule 46 Finance Act 2009 and has ultimate oversight responsibility for tax compliance matters.

Material tax issues, such as filing positions which may be susceptible to HMRC challenge, are referred to the Chief Financial Officer and, if considered sufficiently material or potentially contentious, may then be referred to the Board of Directors. Tax reporting and compliance processes are reviewed from time to time by the group’s Internal Audit department as part of their ongoing cycle of work and findings may be referred to the group’s Audit Committee if appropriate. The in-house tax department also engages external advisors as necessary for technical support and feedback, in particular in relation to new areas of tax legislation.

## Risk management and risk appetite

The group’s approach to tax planning is characterised by prudence. The group will not engage in tax planning strategies which have no economic substance purely to gain a tax advantage; or which may create material uncertainty in its reported results; or carry the risk of litigation (with associated reputational risk); or jeopardise its working relationship with HMRC. Strategies or filing positions which may be subject to HMRC challenge are discussed with suitably qualified external advisers, benchmarked against accepted industry practice and escalated to an appropriate management level (which may include referral to the group’s ultimate parent company) before any decision is taken to proceed. Any such positions will be fully disclosed and relevant documentation made available to HMRC.

The strategy is compliant with the UK tax strategy publication requirement set out in Part 2 of Schedule 19 FA 2016.

**London**

**8 November 2018**