

DELACHAUX TAX STRATEGY

Introduction:

In accordance with schedule 19 of Finance Act 2016, this document is effective for the year ending 31st December 2017.

This tax strategy applies to all Delachaux group entities within UK.

Our tax objectives are to :

- Meet all legal requirements and comply with tax laws, rules, regulations in each country where we operate ;
- Build transparent and professional relationship with tax authorities ;
- Use tax reliefs and incentives in line with the legislation and its intent ;
- Consider the tax planning, only as a support in the Group overall commercial and economic strategy.

Tax risk management and governance arrangements

Group tax management is supported by Finance department including a Tax division working on all tax matters, and with the UK Finance functions on UK tax matters.

The Group Internal Audit includes tax review in its functions during the review of legal entity or Group divisions.

The UK Finance team manages the day to day UK tax compliance for all UK taxes including Corporate Income Tax, Value Added Tax, Individual Taxes and other taxes.

They are in charge of the tax returns and tax payments to the relevant Authorities.

The Finance Team works with external professional to ensure compliance and securization of its tax clearances.

Tax planning

The Group is convinced that it shall pay the appropriate amount of taxes in each country where it operates.

The Group does not set up aggressive tax planning to only benefit from tax advantage. The tax planning is subordinate to the business and economic motivation.

The Tax Department is involved in the complex operations as a support function to minimize the tax risks and exposures and control the tax costs.

The tax planning is driven by the business decision.

The Group has an Ethic Code and wouldn't use artificial structure that could affect its reputation or its relationship with tax authorities.

External advisors could be consulted to support the Group in its tax approach.

Level of risk

The Group has a low appetite for tax risk and does not contribute to aggressive and artificial tax plannings.

As for its business, the Group will prefer conservative but reasonable approach to mitigate and control its risks.

The Group works with external advisors to reduce the potential tax exposure areas.

Dealing with HMRC

The Group deals with Tax Authorities based on integrity, honesty and respect values.

Indeed, it is very important for the Group to work on a collaborative and courteous ways with Tax Authorities in each country where it operates.

The Group considers as a priority to provide timely the tax compliance.