

# TAX STRATEGY

## **Simon Holdco Limited and its UK tax resident subsidiaries Financial Year Ending 31 December 2023**

This document, approved by the UK Board of Directors, applies to all UK entities (herein referred to as 'Lowell UK') within the Lowell Group


The publication of this statement is regarded as satisfying Lowell UK's statutory obligation under Para 19, Schedule 19, Finance Act 2016.

Lowell UK takes good governance and social responsibility seriously and this is reflected in the corporate values and the Tax Strategy herein. This Strategy applies from 1 January 2023 until it is superseded.

### **APPROACH TO RISK MANAGEMENT AND GOVERNANCE ARRANGEMENTS IN RELATION TO UK TAXATION**

Lowell UK's operations are overseen by the Executive Committee, supported by the key governance committees. These committees and the individual business sub-committees ensure Lowell UK follows rigorous and consistent governance processes across all activities – including tax.

The Group Head of Tax is responsible for the day-to-day management of UK tax risk, which is overseen by the UK Director of Financial Performance (who is identified as the Senior Accounting Officer for Metis Bidco Limited and its subsidiaries), and the Group Chief Financial Officer (who is Senior Accounting Officer for all other Lowell UK entities). Together they support the Group Director of Financial Control, who has overall responsibility for UK tax risk. The Group Director of Financial Control is, in turn, supported by the UK and Group Chief Risk Officers, who have overall responsibility for risk (including tax risk) for the UK and Group respectively.



The Group Head of Tax is part of the finance function that reports to the Group Director of Financial Control and is supported by a team with appropriate professional qualifications and experience commensurate with the responsibilities required for their roles.

The tax team identifies, mitigates, manages UK tax risk, aided by maintaining risk registers, evaluating focus areas and discussing these at the appropriate Committees and Boards. This therefore allows Lowell UK to arrive at well-reasoned conclusions on how each tax risk should be managed. Where there is significant uncertainty or complexity in relation to a risk, external advice is sought to support the conclusions and decisions reached.

The Lowell Group (including Lowell UK) is committed to zero tolerance towards the criminal facilitation of tax evasion. The Group will take a risk-based approach to prevent persons associated with the Group from criminally facilitating tax evasion, in line with legislation and guidance on the corporate offences of failure to prevent the criminal facilitation of tax evasion.

#### **TAX PLANNING IN THE UK**

Lowell UK recognises that tax is inherent in many commercial transactions. The Group Head of Tax and the Tax Team are therefore involved in the decision-making process of material business transactions and provide appropriate input into such proposals to ensure a clear understanding of the tax consequences of any decisions made.

Lowell UK will not seek tax efficiencies if the underlying commercial objectives do not support the position, or if the arrangements impact upon Lowell UK's reputation, brand, corporate and social responsibilities, or future working relationships with HMRC. However, to maximise shareholder value, Lowell UK may seek to structure commercial transactions in a legitimate tax efficient manner as permitted by law.

Lowell UK will not undertake planning that is contrived or artificial where the sole purpose is to reduce tax. In cases where the tax guidance is subject to uncertainty or issues are technically complex, external advice may be sought to support the decision-making process.



## **APPROACH TO TAX RISK**

Lowell UK's principal objective in relation to tax risk, where possible, is to ensure comprehensive and timely compliance with all relevant legislation and guidance and therefore minimising the risk of additional tax liabilities, penalties and damage to reputation. This is driven by the nature of the business, investor attitude and corporate responsibility. The level of risk in relation to UK taxation that Lowell UK is prepared to accept is low. Evaluation of tax risk may naturally consider materiality, but thresholds for what is an acceptable or unacceptable level of risk are not defined. If the Head of Tax considers a tax risk exists, this is escalated via the governance framework as above and external advice is sought where there is significant uncertainty or complexity. In this way Lowell UK seeks to achieve a low level of risk in relation to UK taxation.

Lowell UK's tax affairs and tax risk management policies are actively managed and examined to ensure that procedures and assessments are up to date especially given the changing tax landscape. By adopting this approach, we seek to recognise, measure, manage and mitigate tax risk as it arises.

## **ENGAGEMENT AND APPROACH WITH UK TAX AUTHORITIES (HMRC)**

Lowell UK remains committed to the principles of openness and transparency in its approach when dealing with HMRC.

Lowell UK is also committed to meeting its compliance obligations in a timely manner, making accurate returns and providing adequate disclosure on returns and in relation to specific transactions. In the unlikely event non-compliance is identified, Lowell UK would seek to make a voluntary disclosure to HMRC as soon as practicable.

Whilst Lowell UK does not have a HMRC Customer Compliance Manager, all dealings with HMRC are conducted collaboratively, courteously and promptly with the aim to strive for early agreement on disputed matters or where there is uncertainty.