

Tax Strategy

Clareant Lending Holdco Limited and its Subsidiaries

Publication date: 01/03/2024

Scope

This strategy applies to Clareant Lending Holdco Limited and its subsidiaries (the 'Group') in accordance with paragraph 16 (2) of Schedule 19 to the Finance Act 2016 and applies from the date of publication until it is superseded. References to 'UK Taxation' are to the taxes and duties set out in paragraph 15 (1) of the schedule which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax and Stamp Duty Land Tax.

Responsibility for this tax strategy and the supporting governance framework ultimately rests with the Chief Financial Officer ('CFO'), or in his/her absence, the Chief Executive Officer ('CEO'). This Tax Strategy document was approved by the Clareant Lending Holdco Limited Board of Directors ('Board') on 28/02/2024 and will be reviewed no less than on an annual basis.

Key Aims

Clareant Lending Holdco Limited and its subsidiaries are committed to being responsible taxpayers, being open and transparent on all tax matters and acting with integrity in all our dealings with tax authorities whilst recognising that we also have a responsibility to protect shareholder value by controlling and managing our tax liabilities.

Tax Risk Management and Governance

Our Tax Risk Management and Governance policy is to safeguard the Group's reputation as a responsible taxpayer, to ensure that effective controls and processes are in place to comply fully with all of the Group's tax obligations and to ensure tax risk is mitigated and controlled.

The head of the Tax Function within the Group is the CFO (or in his/her absence, the CEO), who is ultimately responsible for the Group tax strategy and supporting framework. The CFO is responsible for the tax affairs and for overseeing the tax calculations and disclosures which are prepared by qualified accountants in the finance teams.

Tax Principles

Managing Tax liabilities

- Group companies do not implement structures that are without commercial or economic substance or which produce a result which is inconsistent with the underlying economic position. The Group recognises that it has responsibility to pay an appropriate amount of tax, in accordance with the relevant legislation and guidance.
- The Group ensures that tax structuring will not disrupt the business or be in conflict with operational goals.
- External advice is sought in relation to significant transactions and to assist in advising on actions to mitigate significant risks.

Relationship with HMRC

- The Group seeks to have open, honest and proactive dealings with HMRC.
- HMRC will be informed of key issues affecting the Group through liaison with the Group's external tax advisors.
- Where appropriate, advanced clearance of key transactions will be sought via the Group's external tax advisors.
- Enquiries received from HMRC will be dealt with on a timely basis with full and clear details.
- Any errors identified will be fully disclosed and notified as soon as possible.

Internal Controls

- The Group is responsible for maintaining robust processes, systems and controls to ensure accurate completion of all necessary tax returns.
- Key processes identified will be fully documented and approved by the Board.

Risk Management Framework

The management and documentation of tax risk is incorporated into the overall risk management framework operated by the Group. Clareant Lending Holdco Limited and its subsidiaries are responsible for the identification and quantification of tax risks and these in turn require Board approval.

The Group's appetite for tax risk is assessed annually by the Board. The Board's approach to tax risk is to fully comply with its regulatory and other obligations in a way which upholds its reputation as a responsible corporate citizen, whilst making appropriate use of available tax incentives, reliefs and exemptions in line with and in the spirit of tax legislation.

The Group rejects the criminal facilitation of tax evasion and its senior management as well as all staff must avoid behaviour that seeks to facilitate the evasion of tax liabilities of Group entities or of any other person.

This tax strategy was published on 01/03/2024 and the Group regards this publication as complying with its duty under paragraph 16(2) Schedule 19 FA 2016 in its financial year ended 31 December 2024.