

Introduction

HPI Holdings Limited and its UK subsidiaries and UK affiliated companies (“UK Group”), regard the publication of the information set out below as complying with its duty under paragraph 16 of Schedule 19 of the Finance Act 2016.

This tax strategy applies to all UK taxes applicable to the UK Group and has been approved by the Board of Directors of the UK Group (“Board”). The following will be periodically reviewed and any amendments will be approved by the Board. It is effective for the year ended 31 March 2018 and will remain in effect until any amendments are approved by the Board.

Approach to risk management and governance arrangements (in relation to UK taxation)

Day to day UK tax matters are managed by the finance team of the UK Group. The finance team of the UK Group reports to our UK Finance Director, who reports to our Corporate team (including our Corporate Tax Department) based in the USA.

Attitude towards tax planning (so far as affecting UK taxation)

With the assistance of its internal and external tax advisors, the UK Group engages in tax planning as needed to ensure continued compliance and to understand the tax impact of commercial transactions evaluated and undertaken by the business.

The UK Group is part of a global corporate group. The Corporate Tax Department, based in the USA, has overall responsibility for all tax planning matters. The Corporate Tax Department’s highest priority is that all UK Group members fully comply with applicable UK and non-UK tax laws.

In cases where the tax guidance is unclear or the UK Group or the Corporate Tax Department does not have the relevant knowledge to assess the tax consequences adequately, we will seek advice from a qualified UK tax expert.

Level of risk (in relation to UK taxation) that UK Group is prepared to accept

Our internal governance is not prescriptive as to the level of risk that our UK Group is prepared to accept. However, we generally have a low appetite towards UK tax risk and aim for certainty in our tax filing positions.

In order to mitigate UK tax risk, we seek external advice from qualified UK tax experts when tax guidance is unclear or the UK Group or the Corporate Tax Department does not have the relevant knowledge to assess tax consequences adequately.

Approach of UK Group towards its dealings with HMRC

We make every possible effort to ensure full compliance with our UK statutory tax filing obligations and to respond in a timely manner to any requests from HMRC for further information.

Our UK Group has an open, proactive working relationship with HMRC. We liaise with the relevant HMRC contact or specialist depending on the nature of the issue under discussion. Due to our current size, we do not, at present, have an HMRC Customer Relationship Manager (CRM).

This tax strategy is employed by all UK businesses in the Solera group.