

OVIVO UK – TAX STRATEGY

In compliance with section 161 and section 19(2) of schedule 19 Finance Act 2016, the company is publishing its tax strategy for the year ending 31 March 2018. As a UK subsidiary of a global group our strategy is directly linked to that of our direct parent company, Ovivo Inc., a Canadian corporation.

Our business, and the Ovivo Group (“Group”) in general, has a strong focus on corporate responsibility and we are committed to responsible administration and respect of tax legislation.

Our overall tax strategy is to:

- Meet all legal requirements including filing all appropriate tax returns and making required tax payments.
- Seek to utilise available tax reliefs and incentives where available in a manner which is consistent with the government’s policy objectives.
- Consider the tax impact in major or complex business decisions.
- Operate in an environment where we consider tax in the context of our reputation.
- Ensure appropriate tax risk management and Group oversight into our tax compliance.

Risk management and governance arrangements

We endeavor to ensure that our tax affairs are transparent and compliant with tax legislation, and recognize that tax compliance is ever changing and increasingly complex. Our relationship with our direct parent company ensures:

- The board of directors at Group level along with local senior management understands the importance of tax compliance and how it is achieved.
- There is a regular dialogue between Global, local senior management and the UK finance team regarding the way our business manages its tax risk.
- The business (supported by Group) portrays a positive view towards tax compliance and the importance of meeting our obligations.

Both locally and at Group level we monitor our tax compliance by seeking external tax advice, investing in knowledgeable staff and we also seek to have a positive relationship with tax authorities.

Tax planning

We undertake tax planning as part of our overall business strategy. Professional advice is sought on a transactional basis, with the depth of such advice being driven by our assessment of the risk presented by each situation.

Ovivo UK does not undertake aggressive tax planning. We strive to minimize our tax risk and our exposure to negative publicity through non-compliance. Our approach to tax planning is in line with the approach taken by the Group.

Attitude towards risk

Group and senior management sees compliance with tax legislation as key to managing our tax risk. We understand the importance of tax in the wider context of business decisions and have processes in place to ensure tax is considered as part of our decision making process.

We have relationships with professional advisers that allow us to seek expert advice on specialist areas of tax. Our approach is to ensure we are compliant and understand our responsibilities with regards to tax.

Group and senior management are conscious of potential negative publicity that can be attracted as a result of poor tax compliance and a negative attitude to tax risk. We aim to mitigate any such reputational risk by continuing positive relationships with our external advisors and operating within a strong internal control environment.

Relationship with HM Revenue & Customs

Our communication with HMRC is focused around timely tax compliance. In addition to this we aim to have a positive dialogue with HMRC whenever required, whether it be for routine queries or responding to requests for information. Dialogue is not restricted to local UK employees and our direct parent company is also keen to talk with HMRC when required to help ensure all matters are dealt with in a quick and professional manner.

We employ the services of professional tax advisers to act as our agents, and in a number of cases they liaise with HMRC on our behalf where this might be considered more appropriate by Group and senior management.