



Tax strategy - UK

Background and scope

This strategy applies to AquaGen Holdings Limited and to the group of companies headed by AquaGen Holdings Limited. A list of the entities to which it applies is set out at Appendix 1. In this strategy, references to the 'AquaGen Group' or 'the Group' are to the entities listed in Appendix 1. This strategy was published on 30th of June 2022 and the Group regards this publication as complying with its duty under paragraph 16(2) Schedule 19 FA 2016 in its financial year ended 30 June 2022. This strategy applies from the date of publication until it is superseded.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. References to 'tax', 'taxes' or 'taxation' are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which the AquaGen Group has legal responsibilities.

Aim

The AquaGen Group is committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The AquaGen Group's tax affairs are managed in a way which takes into account the group's wider corporate reputation in line with the AquaGen Group's overall high standards of governance.

Governance in relation to UK taxation

Ultimate responsibility for the AquaGen Group's UK tax strategy and compliance rests with the Board of AquaGen Holdings Limited ("the Board"). The Board's requirement to monitor the integrity of the Group's financial reporting system, internal controls and risk management framework, expressly includes those elements in relation to taxation. The Group's Chief Executive Officer ('CEO') is the Board member with executive responsibility for tax matters, and reports on the Group's tax affairs and risks during the year. The Board ensures that the Group's tax strategy is one of the factors considered in all investments and significant business decisions taken.

Risk Management

The AquaGen Group operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the group's financial reporting system. The AquaGen Group seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations. Processes relating to different taxes are allocated to appropriate process owners, who carry out a review of activities and processes to identify key risks and mitigating controls in place. These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required.



Advice is sought from external advisers where appropriate, and in particular in cases of uncertainty or complexity in relation to tax.

Attitude towards tax planning and level of risk

The AquaGen Group manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax. When entering into commercial transactions, the AquaGen Group seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. The AquaGen Group does not undertake any tax planning inconsistent with its commercial objectives. The level of risk which the AquaGen Group accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the group's tax affairs. At all times the AquaGen Group seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen. In relation to any specific issue or transaction, the Board is ultimately responsible for identifying the risks, including tax risks, which need to be addressed and for determining what actions should be taken to manage those risks, having regard to the materiality of the amounts and obligations in question.

Relationship with HMRC

The AquaGen Group seeks to have a transparent and constructive relationship with HMRC through communication in respect of developments in the Group's business, current, future and retrospective tax risks, and interpretation of the law in relation to all relevant taxes. The Group ensures that HMRC is kept aware of significant transactions and changes in the business and seeks to discuss any tax issues arising at an early stage. When submitting tax computations and returns to HMRC, the Group discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain. Any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified. All dealings with HMRC are undertaken in a collaborative and timely manner.

Published on 30th of June 2022

Appendix 1

List of entities covered by this Tax Strategy

AquaGen Holdings Ltd
AquaGen Scotland Ltd