

H&R ChemPharm (UK) Ltd - Tax Strategy

This document sets out the approach taken by H&R ChemPharm (UK) Limited (H&R UK) in conducting its tax affairs and dealing with tax risk. The document has been approved by the board and will be reviewed periodically. It is in effect for the period ending 31st December 2020 and will remain in effect until any amendments are approved by the board. This document and its publication satisfies our duty under Schedule 19 of Finance Act 2016.

Tax risk Management

H&R UK aims to identify, assess and mitigate tax risks through use of internal controls and the application of risk management processes throughout our business operations. We seek to fulfil tax obligations, including filing of returns, payment of taxes and reporting within the time limits required by UK tax laws.

Taxation is managed by the head of the Finance team who is responsible to report to the board on any identified risks. Where there are areas of uncertainty or higher complexity support of external advisors is sought to help fully understand and manage risks.

Staff are appropriately trained and ongoing development provided to those responsible with identification and reduction of risks in our day to day operations.

Tax planning and level of risk

H&R UK manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

We may seek to reduce and mitigate tax liabilities through the use of available tax incentives, allowances and exemptions in line with and in the spirit of tax legislation.

As part of the H&R Group we also adhere to the H&R Group Code of Conduct, along with other policies, that set out the expectations for employees and stakeholders within H&R. These include expectations to comply with all applicable import and export laws, embargoes, sanctions or regulations as well as tax and customs law. We have group Transfer pricing policies in place to ensure appropriate UK and overseas tax requirements are met.

We comply with the Criminal Finances Act 2017 and perform risk assessments to ensure that reasonable prevention procedures are in place to stop the facilitation of tax evasion.

We do not enter tax avoidance schemes.

We look to accept a minimum amount of risk in dealing with our tax affairs. We seek advice from external advisors on complex areas, material transactions and areas of uncertainty.

Relationship with HMRC

H&R UK seeks to maintain an open, honest and co-operative relationship with HMRC, reflecting the professionalism and integrity that we expect of ourselves as part of our ethics and values.

We will co-operate with HMRC enquiries, be transparent in our dealings with HMRC, and respond to legitimate information requests from HMRC in a timely manner.

Where there is uncertainty on an issue of taxation we will enter into a dialogue with HMRC to seek clarification.