

Polus Capital Management Group Limited: UK Tax Strategy

Scope

This strategy (the “UK Tax Strategy”) applies to Polus Capital Management Group Limited including all of its UK subsidiaries (“together Polus”). This UK Tax Strategy is being published in accordance with Schedule 19 of Finance Act 2016 and relates to the year ended 31 December 2023.

Governance in relation to UK taxation

The UK tax governance policy, including this UK Tax Strategy, the supporting governance framework and management of tax risk, day to day management of the UK tax risks and compliance with the UK Tax Strategy, is the responsibility of the Chief Financial Officer (“CFO”). The corporation tax compliance process is outsourced to external advisers with inputs from Polus.

Approach to tax risk management

Polus recognises that it is exposed to numerous tax risks, including, amongst others, those associated with corporation tax, VAT and employer social security contributions on employment costs as well as some tax operational risks (e.g. use of outsource providers). Polus undertakes management of these risks through active implementation of tax risk management procedures.

Polus is part of the Mediobanca Group and as such Polus' tax risk management policy is governed by Mediobanca's Group Policy on Management of Risk of Non-Compliance with the Regulations as well as a Group Policy on the Internal Controls System, the latter being a requirement of the Bank of Italy. These processes and procedures, together with the assistance of external advisers, facilitate Polus' identification and management of tax risks.

Polus engages professional external tax advisors to provide technical insights and advice where required, in addition to corporation tax compliance services. For example, this may be where:

- there is uncertainty or complexity regarding the treatment of a transaction for tax purposes;
- there is new legislation or there are changes to existing legislation; or
- the potential impact of a transaction is material.

Attitude towards tax planning

Polus does not participate in any tax planning which aims to achieve an outcome contrary to the spirit as well as the letter of any tax legislation. Whilst Polus makes use of legally available reliefs, incentives and allowances for tax purposes, the focus is on preserving Polus' reputation and credibility with public authorities including HMRC.

As set out in the Mediobanca Group's Code of Ethics, Polus makes and prepares tax declarations based on the principles of transparency, honesty and exhaustiveness.

Polus recognises its social responsibilities and obligation to make appropriate contributions to UK tax revenues.

Acceptable level of risk

Polus has a low-risk appetite and takes a prudent approach to managing its tax affairs. The tax risk management procedures in place, together with views requested from external advisors, ensure that the appropriate tax legislation has been consulted to allow Polus to be confident that the relevant risk has been relieved or mitigated to an acceptably low level.

Approach to dealings with HMRC

In line with group-wide principles, Polus aims to build a cooperative, open and transparent working relationship when communicating and engaging with HMRC. We seek to make proactive and timely disclosures when responding to HMRC.

Polus Capital Management Group Limited

February 2024