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**THE EVEREST GROUP TAX STRATEGY**  
MAY 2018

# Everest Group Tax Strategy

## Scope

This strategy applies to the Everest Group, the group of companies headed by Hillary Bidco Limited in accordance with paragraph 16(4) of Schedule 19 to the Finance Act 2016. A list of the entities to which it applies is set out below. In this strategy, references to 'Everest Limited', 'the Everest Group', or 'the group' are to all these entities. The strategy is being published in accordance with paragraph 16(4) of the Schedule and applies from the date of publication until it is superseded.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. References to 'tax', 'taxes' or 'taxation' are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which the Group has legal responsibilities.

## Aim

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

### Governance in relation to UK taxation

- ° Ultimate responsibility for the Everest Group's tax strategy and compliance rests with the Board of the Everest Group;
- ° Executive management of the group is delegated by the Board to the Chief Executive Officer ('CEO');
- ° The Chief Financial Officer ('CFO') is the Board member with executive responsibility for tax matters;
- ° The Audit Committee's requirement to monitor the integrity of the Everest Group's financial reporting system, internal controls and risk management framework, includes those elements relating to taxation;
- ° The Everest finance team, which is responsible for tax matters, is staffed with appropriately qualified individuals;
- ° The CFO regularly reports to the Group's private equity investor, to the Audit Committee and to the Board on any tax risk, compliance and critical matters arising during the year. This helps to ensure that the Everest Group's tax strategy is one of the factors considered in all key investments and significant business decisions taken.

## Risk Management

- ° The Everest 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 Everest 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 periodically review 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;
- ° Appropriate communication is provided and / or training is carried out for staff outside the Everest finance team who manage or process matters which have tax implications;
- ° Advice is sought from external advisers where appropriate.

## **Attitude towards tax planning and level of risk**

The Everest 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 Everest Group seeks to take a conservative approach in terms of taking advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. The Everest Group does not undertake tax planning unrelated to such commercial transactions.

The level of risk which the Everest 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 Everest 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 Everest Group seeks to ensure that all interaction with HMRC is conducted in an open, transparent and professional manner to facilitate a constructive relationship. Such discussions would include key developments in the Everest Group's business, current, future and retrospective tax risks, and interpretation of the law in relation to all relevant taxes.

The Everest 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 Everest 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.

## **List of entities covered by this Tax Strategy**

- ° Hillary Bidco Limited
- ° Everest Limited
- ° Amdega Limited (formerly known as Amdega 2011 Limited)
- ° Everest (Isle of Man) Limited