



Better Collective

Tax Policy



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1. PURPOSE

Better Collective seeks to obtain a competitive tax level in a responsible way and in compliance with national and international regulations. To meet these objectives:

- Better Collective complies with national and international tax regulations
- Better Collective works with tax risk management to mitigate financial and reputational risks
- Better Collective works to obtain a competitive tax level given its business operations and the regions where they are performed
- Better Collective engages actively with tax authorities seeking a good relationship
- Better Collective openly communicates the Group tax position (Effective Tax Rate)

2. SCOPE

This policy applies to:

- Better Collective companies and their foreign branches and representations worldwide.
- Corporate income tax, indirect taxes, withholding taxes, employee taxes, excise taxes, import duties and other fiscal allowances resembling a tax.

3. POLICY

3.1. Tax Compliance

The Better Collective Group must be in compliance with all relevant tax regulations in any and all jurisdictions where it performs its operations. The overall responsibility for securing tax compliance rests with the Executive Management relying on the following allocation of responsibility:

Group Finance:

- Group compliance with international tax regulations and tax guidelines
- Parent company tax compliance

Subsidiaries (Local management):

- Compliance with Group Finance Guidelines
- Compliance with local tax regulations

Group Finance establishes guidelines for global compliance and will in collaboration with the external group auditors monitor that local organisations are complying with their responsibility both in terms of international and local regulations.

In cases where the Better Collective Group is met by disagreements resulting in increased assessments by the tax authorities, Better Collective shall seek a compromise outside the courts taking into consideration the chances of winning in court, the cost of litigation and the possible creation of both positive and negative precedence. Furthermore, Better Collective pursues mutual agreements (both bilateral and multilateral) between tax authorities in different states where the Group operates when this is considered an advantage.

The Better Collective Group openly communicates the effective corporate tax rate of the Group in its entirety.



3.2. Tax Risk Management

The Better Collective Group actively manages and mitigates any risks relating to tax in order to secure a high degree of transparency. All identified risks are evaluated on a continued basis and included in the group tax provision where appropriate.

The Better Collective Group considers that tax risks are acceptable if the expected benefit of accepting the risk is higher than mitigating the risk, taking in to account both financial and reputational risks.

Where tax exposures are considered material and where the exposure by its complexity and/or current nature warrant it, the Better Collective Group will seek the opinion of an external adviser specialized in the area where the exposure is identified.

All material risks will be included in the periodic reporting to the Audit Committee according to the annual reporting calendar. Where relevant due to the materiality of the exposure identified, the exposure will be communicated immediately.

3.3. Tax Optimization

Better Collective shall optimize the Group tax position pursuing a competitive tax level relative to the industry and the geographical areas where it performs its business.

The Better Collective Group only seeks to optimize on its tax position where this is in line with the business transactions that it performs. This includes but is not limited to the following measures:

- Optimizing revenue streams
- Optimizing sale of services (e.g. Shared Services)
- Optimizing Financial Transactions and Legal Structures

Better Collective does not engage in the following tax reduction measures:

- Tax Avoidance
- Use of tax shelters
- Transactions with significant reputational risk

The industry that Better Collective operates in has many peers and costumers located i.e. in Malta due to historical regulation of the industry. Better Collective may choose to have some of its business activities in Malta, and the company does not view Malta as a tax shelter.

4. RESPONSIBILITY

This policy has been evaluated and approved by the Board of Directors and will from hereon be governed by the Audit Committee. The responsibility for implementation and compliance with the policy rest with the Executive Management who relies on managers at various levels to carry out the policy.