

Elekta Limited Tax Strategy

Elekta is a human care company pioneering significant innovations and clinical solutions for treating cancer and brain disorders. We develop state-of-the-art tools and treatment planning systems for radiation therapy including brachytherapy and radiosurgery, as well as workflow enhancing software systems across the spectrum of cancer care.

As entities within the Elekta AB Group, Elekta UK Group entities (“Elekta”) seeks to manage its tax affairs in a manner that is consistent with Elekta AB’s Code of Conduct. The Code of Conduct aims to maintain ‘Quality and regulatory excellence’ - to ensure compliance with law and regulations, and to work closely with regulators. In addition, the Code of Conduct states that in the context of honouring international trade obligations, that:

“In each case, employees involved in trade or export activities on behalf of Elekta must ensure that all documentation for import, export and tax purposes is complete and accurate.”

This document sets out Elekta’s strategy towards its UK taxation matters. Publication of this tax strategy statement is regarded as satisfying the statutory obligation under Para 16(2), Schedule 19 of the Finance Act 2016, on behalf of all qualifying entities for the financial year ending 30 April 2020.

Approach to Risk Management and Governance Arrangements

Elekta is committed to complying with all relevant legal and regulatory tax requirements and therefore tax governance procedures, including accountabilities, responsibilities and delegations of authority, are clearly defined and set out. The Board has ultimate responsibility for Elekta's tax affairs and therefore its tax risks. There are clear escalation processes in place to ensure tax risks are escalated to the Board on a regular basis. However, more generally, the day-to-day responsibility of tax is delegated to the UK Finance Director, who consults the Group Tax Director and other relevant internal stakeholders to ensure compliance with Elekta’s various UK tax requirements. The UK Finance Director is also supported by appropriately skilled and qualified staff.

Elekta maintains a tax risk management framework in relation to UK taxes, identifying specific tax risks and the controls applied, to the extent possible, to mitigate those risks. Such risks might include, but are not limited to:

- The risks of errors or inaccuracies in tax filings;
- Late payments or filings to the tax authorities,
- Failure to meet UK tax reporting or compliance obligations, and
- Failure to assess the tax impact of material business arrangements entered into.

Tax risk is continually assessed and monitored by internal tax and finance personnel, with professional advice obtained from qualified external advisors where the tax treatment of a specific item is uncertain or in relation to new areas of tax law which may impact Elekta.

Level of Risk That the Group is Prepared to Accept

Elekta takes its tax obligations very seriously and ensures it has the governance and risk management processes in place to comply with all of its tax obligations. To ensure the business and its tax affairs are managed in a responsible manner, Elekta engages external advisors to support the business' UK tax obligations and to stay up to date with the latest tax developments through training and external engagement.

Elekta is a commercially led organisation, and does not seek to enter or undertake non-commercially led transactions when making business decisions. Accordingly, we only undertake tax planning which is aligned to economic activity. In undertaking such activity, Elekta will apply tax incentives, reliefs and exemptions that are within the letter and spirit of the law as intended by Parliament and related HMRC guidance.

Attitude Towards Tax Planning

Elekta has a low tolerance towards tax risk and its attitude towards tax risk is primarily governed by this. Elekta manages its tax risk through its governance framework, which consists of procedures and mitigating controls designed to monitor, identify, assess and escalate risk where necessary. Elekta has no tolerance for allowing clients or counterparts to use its services to evade tax. Elekta aims to comply with all UK tax laws in order to prevent facilitation of tax evasion or fraud.

Approach Toward Dealing With HMRC

Elekta is committed to the following principles in its dealings with HMRC:

- To maintain its open, transparent and collaborative relationship with HMRC
- To continue to respond to queries from HMRC in a timely manner, keeping HMRC informed of progress
- To resolve issues or uncertainties prior to filing of tax returns, or obtain advice from HMRC in relation to areas of tax uncertainty in relation to material transactions where appropriate
- To make fair, accurate and timely disclosures in filings and correspondence with HMRC.