

UK – COMPANY TAX STRATEGY

This statement of UK tax strategy (“Tax Strategy”) applies to U.S. Direct E-Commerce U.K. Limited, the only UK subsidiary of U.S. Direct E-Commerce Holdings D.A.C. trading as ESW, for the year ending 31 December 2022. The Company Tax Strategy is published on 22nd November 2022 and will apply until superseded.

ESW is a privately held group of companies and is headquartered in Dublin, Ireland. ESW has international operations in numerous countries around the world, including the United Kingdom.

The Board of Directors (“Board”) of each company is responsible for setting and monitoring the strategy of each company and, by extension, its Tax Strategy. The Board has a clear governance framework with defined responsibilities and accountabilities including an annual review of the Tax Strategy and maintaining responsibilities for implementing controls where tax risks are identified. The day-to-day implementation of the Tax Strategy for each company is delegated to the VP of Tax and Trade Compliance, who is supported by the group tax and finance teams.

ESW’s Tax Strategy and that of each company in the group sets out the approach for conducting the group’s tax affairs and the processes and procedures for managing tax risks. In structuring the group’s commercial activities and operations, ESW complies with the tax laws of the countries in which ESW operates with a view to fulfilling ESW’s mission of empowering the world’s most famous brands to deliver local ecommerce experiences without friction, everywhere in the world.

The broader Tax Strategy applies to all ESW’s employees, contractors, officers, and directors (collectively “Employees”), who are responsible for or have an impact upon the execution of our Tax Strategy.

This Tax Strategy has been published in accordance with paragraph 22(2) of Schedule 19 to the Finance Act 2016 as U.S. Direct E-Commerce U.K. Limited is a ‘qualifying company’ under paragraph 5 of Schedule 19 to the Finance Act 2016. The tax policy covers both direct and indirect taxes, including Corporate Tax, PAYE and VAT.

Risk management and governance arrangements

U.S. Direct E-Commerce U.K. Limited is committed to ensuring that its tax affairs are managed in an open, and transparent manner and in compliance with applicable tax legislation.

ESW’s internal governance procedures are adopted at the Executive level and through people, processes, and controls, it manages U.S. Direct E-Commerce U.K. Limited’s tax risks and compliance with applicable tax laws. When a new tax risk is identified, ESW’s procedures require an escalation and prompt notification to the appropriate senior personnel and executives, with a view to immediate resolution.

The VP of Tax and Trade Compliance is responsible for the ongoing monitoring of tax risks of U.S. Direct E-Commerce U.K. Limited.

Tax planning

U.S. Direct E-Commerce U.K. Limited undertake tax decisions in consideration and aligned to its business strategy and engages the services of advisers to assist with major or complex business decisions to fully assess any associated tax risks and comply with all applicable tax laws.

U.S. Direct E-Commerce U.K. Limited seeks to ensure that transactions are structured in accordance with the applicable tax legislation.

Attitude towards risk

The procedures seek to ensure that all tax filings are made in compliance with local tax laws and that all taxes are paid on a timely basis. U.S. Direct E-Commerce U.K. Limited ensures that its tax positions appropriately reflect the business activities it undertakes in the UK, and the same approach is taken whenever new tax legislation is introduced or HM Revenue & Customs (HMRC) changes its policies. Advice may be sought from time to time to assist U.S. Direct E-Commerce U.K. Limited and ensure on-going compliance.

Relationship with HMRC

U.S. Direct E-Commerce U.K. Limited understands the importance of communication with HMRC and maintains an open and honest relationship with HMRC and will seek to work in 'partnership' with HMRC in relation to its tax affairs.