

Pelagia's Tax Strategy and its Application

Pelagia UK is publishing this strategy statement in relation to its United Kingdom ("UK") subsidiaries' approach to tax risk management and attitude to tax planning in the UK. In this strategy, references to 'Pelagia UK' cover the UK tax affairs of Pelagia (UK) Limited and its subsidiary companies and the UK subsidiary companies of Pelagia AS. This statement is for the financial year to 31 December 2026 and is made in compliance with the requirements outlined in paragraph 16 (2), Schedule 19, Finance Act 2016. The strategy outlined applies to taxes in the UK.

Pelagia UK is committed to high standards of corporate governance, transparency and responsibility. The overall goal of Pelagia UK's tax policy is to support its business maintaining a sustainable tax rate while complying with tax law and regulations and mitigating tax risks. This applies to all its controlled entities. This tax strategy and its underlying principles guide the decisions Pelagia UK makes relating to corporate tax matters seeking to maintain a conservative tax profile to lower risk and any disputes with HM Revenue & Customs ("HMRC").

Tax Risk Management and Governance

In structuring its business activities, Pelagia UK considers tax laws, its intent and transfer pricing guidelines. Pelagia UK applies the arm's length standard of transfer pricing under the Organisation for Economic Co-operation and Development and HMRC requirements to ensure its intercompany arrangements result in appropriate remuneration.

Pelagia aims to use diligent care and judgement, including making decisions at the appropriate level, supported by proper documentation and facts. Pelagia UK does not rely on non-disclosure provisions in engagement with tax authorities or engage in activities with the sole purpose of tax avoidance.

Pelagia UK seeks advice and guidance from various experienced external advisors, including accounting and law firms on complex matters. Pelagia UK also monitors compliance with relevant tax laws, regulations and guidance.

Pelagia UK abides by stringent internal controls. Tax-related controls are reviewed and assessed on a regular basis and require certain processes and documentation of review and approval. Financial internal controls, including tax controls, are also updated periodically to mitigate risk.

Tax Planning

Pelagia UK undertakes tax planning that aligns with its commercial business activities and reputation as a responsible corporate citizen. Pelagia uses tax incentives, tax credits and related tax favourable deductions, where applicable, as well as relevant bilateral tax treaties aimed at mitigating double taxation. All decisions have a sound commercial rationale, will be compliant with tax laws and regulations, and will be considering any impact such planning could have on Pelagia UK's external reputation. Pelagia UK seeks appropriate clarification from external advisors and/or HMRC wherever appropriate.

Dealings with HMRC

Pelagia UK is committed to the principles of openness and transparency with HMRC. Pelagia UK seeks to handle any queries or disputes through pro-active discussion with HMRC.