

TAX POLICY

The way we care

For our Patients, People and Environment



1. INTRODUCTION

The purpose of this tax policy (the '**Policy**') is to define the framework and principles regarding the tax matters within European Dental Group Holding B.V. including its controlled holdings (together the '**Group**') and to increase and underline the focus of tax management as well as to underpin the importance of proactive work aimed at minimising tax risks within the Group. The Policy covers the Group's business activities and operations on a pan-European scale.

2. GENERAL APPROACH TO MANAGING TAX AFFAIRS

The Group strives to have the highest standards for tax governance in every jurisdiction where it operates. The Group is committed to conducting its tax affairs in a way that is within the letter, spirit and intention of the law, and the goal is always to pay the correct amount of tax as well as file all tax returns in a timely and correct manner. This is supported by relevant policies and compliance processes in each jurisdiction where the Group operates. The Group acknowledges the changing landscape around tax from both regulators and society and makes a strong effort to comply with applicable tax laws and regulations.

The Group does not engage in stand-alone tax planning activities. However, the Group seeks to maximise value creation for its stakeholders and shall not refrain from tax planning measures merely because there might be different interpretations of tax or case law if business purposes prevail the reason for such measures. Nonetheless, the Group should never enter into transactions that are considered aggressive or engage in artificial arrangements. The Group's decision making around tax should always be guided by the Group's commercial objectives, prudence, transparency and long-term sustainable behaviour.

The Group believes that unacceptable tax practises can erode the trust for the Group and in turn damage reputations and, possibly, in the long-term, the license to operate. Hence, the Group believes that aggressive and abusive tax practices are counterproductive to the long-term strategy and sustainable approach.

3. TRANSFER PRICING CONSIDERATIONS

The Group complies with the Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (the '**OECD Guidelines**'), which make it mandatory for enterprises to comply with the tax laws and regulations in all countries in which they operate and should exert every effort to act in accordance with both the letter and spirit of those laws and regulations. As included in the OECD Guidelines, it's essential that profits are allocated and taxed where the value is created. Hence, the Group applies the arm's length principle to ensure that the parties involved in intra-group transactions are appropriately compensated, that the transfer pricing methods are consistently applied and that accountability and transparency of transactions are ensured. The Group has adopted a set of transfer pricing policies in line with current best practice issued by the OECD. All transfer pricing documentation is reviewed on a regular basis.

4. RELATIONSHIP WITH TAX AUTHORITIES

The Group seeks to maintain an open, fully transparent, professional and collaborative relationship with tax authorities and other governmental bodies in the jurisdictions where it operates and is committed to meet the high expectations on transparency in respect regarding its tax management.

5. RESPONSIBILITIES AND PROFESSIONAL CONDUCT

The Group's tax function, consisting of EDG's Group CFO, the Group Finance Director and EDG's Group General Counsel, is the central decision-making body with the overall day-to-day responsibility for tax matters in the Group. A key role of the tax function is to ensure that material tax-related matters are handled in a consistent way and in accordance with the Policy as well as other internal and external standards and that procedures that support the approach are in place and maintained by a team that has the skills and experience to implement the approach appropriately. The responsibility for setting the Policy is central, but we encourage local responsibility for local tax issues. All employees working with tax matters shall strive to act in accordance with the Policy and all decisions taken related to tax matters shall be guided by the principles set out in the Policy.

The Group's tax function shall actively seek to evaluate, monitor and manage tax risks to ensure compliance with tax regulations and implement procedures and controls designed to ensure that the Group's tax management is up to date with all relevant domestic and international tax regulations.

All material transactions or events where the potential tax effects are uncertain are subject to a tax technical analysis, financial materiality, accounting and regulatory disclosure requirements, operational risk, reputational risk and compatibility with the goal of creating long-term, sustainable value.

The Group will use external advisers wherever necessary to ensure that it has the most accurate and up-to-date analysis in order to facilitate informed decision making by the relevant person or body within the Group. The Group should primarily seek tax advice from large, international and reputable accounting or law firms



EUROPEAN
DENTAL GROUP