

Optal Group

UK Tax Strategy

Introduction

Optal provides a range of business-to-business payment services, primarily associated with the issue and acceptance of virtual account numbers. Operating in the UK and worldwide, Optal strives to reinvent how payment processes work across complex industries.

Paragraph 16(2), Schedule 19, Finance Act 2016 requires Optal to set out the tax strategy of its UK companies. The following statement sets out the tax strategy of Optal in the UK which covers all taxes, relating to the year ending 31 December 2019 and applies from the date of publication.

Risk Management and Governance Arrangements

The Optal Board and senior management team considers good risk management to be a core component of our current and future business success and is fully committed to complying with all tax legislation requirements by ensuring that an effective, appropriate and responsive risk management regime is maintained on an ongoing basis throughout the organisation.

Optal's tax strategy is reviewed annually and is approved, owned and overseen by the Board, with day to day management delegated to the senior management team.

Optal has implemented a risk management framework which supports key decision-making processes, allowing the Board and the management team to prioritise risks in order to respond in an appropriate manner, and to allocate resources when and where they are most needed.

Optal considers risk in the context of its strategic objectives and its overall risk appetite, and measures these risks using the combination of the consequence (what would happen if the risk were to materialise) and likelihood (the likelihood of the particular issue or event occurring). Since factors affecting the consequence and likelihood of risk are not static, addressing individual risks is not a one-time exercise. Risks are identified, assessed, treated, monitored and reassessed on a continuous basis.

The Audit Committee monitors the integrity of Optal's financial reporting systems, internal controls and risk management framework including those relating to tax.

Tax Planning and Tax Risk

Tax planning decisions are made in a manner that is consistent with Optal's risk management framework. Optal utilises internal and external resources, to evaluate tax implications and risks that could arise due to changes in operational structure, legal structure and tax legislation, in the UK and worldwide, to ensure that we meet our obligations and stay within our risk appetite.

Intra-group transactions that take place are analysed to assess adherence to the Organisation for Economic Cooperation and Development's ("OECD") Transfer Pricing Guidelines and ensure that all dealings are conducted under arm's length conditions.

In line with the finance policy, Optal has implemented a control environment that mitigates tax risks that could arise as part of the general accounting process.

Relationship with Her Majesty's Revenue & Customs (HMRC)

Optal has an open, transparent and honest approach to engaging with HMRC.

Through regular and pro-active communication with HMRC, Optal aims to ensure that it meets all of its UK tax obligations and manages tax risks.