
PHOENIX UK Group Tax Strategy

Effective date:

1st February 2026

1 Purpose

The Board recognises the importance of all taxes and has put this Tax Strategy in place to document the Board's commitment to pay the correct amount of tax on time and to ensure that the Group has the appropriate tax risk management in place.

The Company will aim to save tax where it is appropriate and legal to do so and without undertaking aggressive tax avoidance measures.

In determining our tax liabilities, the Company will seek the advice of specialist tax advisors and our HM Revenue and Customs (HMRC) contacts to ensure tax calculations are correct. Where appropriate we will seek to agree our tax policies and treatments in advance with HMRC.

This strategy applies to Phoenix Medical Supplies Limited and to the group of companies headed by Phoenix Medical Supplies Limited (the "Group") in accordance with paragraph 19 of Schedule 19 to the Finance Act 2016. The strategy has been published in accordance with paragraph 16(4) of the Schedule.

Details of the Group companies are set out in Appendix A.

2 Scope

This strategy covers all forms of taxation in the UK and where necessary the interaction with foreign tax regimes. References to 'UK Taxation' are to the taxes and duties set out in paragraph 15(1) of the Schedule.

Some taxes are more relevant to the Group than others and the policy will specifically deal with, though is not limited to, the areas of:

- Corporation Tax
- VAT
- PAYE and employment taxes (including income tax and national insurance)
- Stamp Duty Land Tax (SDLT)
- Plastic Packaging Tax

3 Policy Principles

The Board has established that the following principles will form the basis of the tax policy of the Group:

- to ensure that all key tax risks are identified and managed effectively;
- to ensure that transactions are structured in the most tax efficient manner permitted within the approved parameters of the tax planning framework and tax planning criteria;
- to ensure that all tax compliance is properly controlled and managed to meet the Group's legal obligation to fulfil its duties under UK and overseas tax law. This document considers the position of the UK group entities only, with the position of overseas subsidiaries considered by their Boards;
- to ensure that professional working relationships are developed with the relevant departments within HMRC;
- in the event of any inadvertent error(s) arising, full disclosure will be made to HMRC. Consideration will also be given to the reasons for the error and the impact that these may have upon the accuracy of historic SAO certification.

4 Governance - Senior Accounting Officer

The Senior Accounting Officer (SAO) for the UK Group as a whole will be the Chief Financial Officer who will follow the obligations under Schedule 46 Finance Act 2009.

It is the responsibility of the SAO to ensure that adequate controls are in place to ensure tax is accounted for correctly, and to carry out suitable tests and reviews of these controls, from time to time, to enable the certification to be made.

5 Governance - Finance Team

The Company employs a large Finance Team working across the various Group companies.

Within this team there are members of staff with various levels of qualification, from basic in-house training to professionally qualified accountants (e.g. ICAEW, CIMA, ACCA etc.) and payroll managers and controllers (e.g. Diploma in Payroll Management).

The management structure of the team means that all members of the team are supervised by more qualified members of staff, ultimately reporting to the Chief Financial Officer (SAO).

The Company has a training policy to ensure that all staff receive sufficient training for their roles. This includes in house training and attendance of external tax training and update courses as appropriate.

In relation to tax accounting:

- i. Corporation Tax is the responsibility of the Head of Financial Accounting and Transformation, who will work with the Finance Reporting teams responsible for the companies in the Group to ensure adequate procedures are in place for recording and analysing accounting entries in order to correctly calculate Corporation Tax liabilities. Professional advice is also sought in relation to the calculation of Corporation Tax (see below).
- ii. VAT is the responsibility of the Group Reporting manager. They will ensure that the team entering VAT transactions have suitable training and processing controls are in place. They will also prepare the regular VAT returns based on the accounting records.
- iii. PAYE and Employment Taxes are the responsibility of the Transactional HR Manager (or equivalent), whose team covers the processing of payroll, calculation of PAYE tax and National Insurance deductions. This team also deal with annual employment reporting and the Real Time Information (RTI) reporting requirements. This team will work with the Group Reporting team and Group Company Secretarial department to ensure any taxes arising from benefits in kind are also correctly calculated.
- iv. Stamp Duty Land Tax occasionally arises due to acquisitions or relocations of properties within our company portfolio. These calculations are checked and agreed by the Property & Development department and the Company's legal advisers.
- v. Plastic Packaging Tax is the responsibility of the Group Reporting manager. They will ensure the tax is reported based upon product information provided to a third party who calculates the appropriate tonnage.

6 Governance - Professional Advisers

As mentioned above the Company employs qualified staff, many of whom have sufficient expertise to deal with day-to-day tax issues.

However, in certain instances (e.g. projects to implement new legislation or processes in the business, preparation of annual Corporation Tax computations), which require a greater deal of expertise, the Company utilises third party professional advisors to assist and advise in dealing with the tax obligations.

Staff also attend briefings, training courses and updates with external tax advisors to improve their knowledge or seek ad hoc advice on technical tax, VAT or PAYE issues.

The Company also has an annual statutory audit, with tax balances and disclosures reviewed by third party auditors.

7 Governance - Board of Directors

Each subsidiary of the Group has a Board of Directors, who meet regularly, with the frequency determined by the size of the company. The larger companies' boards usually meet monthly, whilst the smaller consortium company boards may only meet annually.

In all cases the company boards are kept up to date with any important tax issues by the Chief Financial Officer and Head of Financial Accounting and Transformation on a regular basis and will give guidance as to the company tax strategy as required.

8 Governance – European Phoenix Group and Foreign Associated Companies

The Phoenix UK Group is a wholly owned subsidiary of a Germany parent company (PHOENIX International Holding GmbH), and ultimately owned by a German parent company (PHOENIX Pharma SE). The European Phoenix Group operates with subsidiaries in 29 countries.

Transactions between companies in the Phoenix UK Group and other companies in the European Phoenix Group are carried out on an arm's length basis. Intercompany agreements are in place to cover these transactions. Where required, UK transfer pricing documentation (including a local file) is maintained to support that intra-group transactions are undertaken on an arm's length basis.

9 Attitude to Tax Planning and Levels of Tax Risk – Company Policy

The Phoenix UK Group will utilise available tax saving opportunities where appropriate, including relevant claims and elections to minimise the cash tax paid.

The Company does not, however, actively seek to carry out aggressive tax planning measures. With this in mind the Company will seek to approve tax treatments with HMRC in advance, where such a discussion would be appropriate in order to minimise tax risk wherever possible.

In relation to any specific transactions or issues the Board take responsibility for tax risks and the actions that may be taken to mitigate such risks, having regard to the materiality of the amounts in question and their potential impact on the business.

10 Tax Planning – Relationship with HMRC

Wherever it is appropriate the Company seeks to agree its tax planning methods with HMRC in advance. The Company prefers to work with HMRC to pre-approve tax treatment if possible to avoid any future issues or enquiries and therefore minimise tax risks to the Group.

In addition to formal agreements the Chief Financial Officer also aims to update our HMRC Customer Compliance Manager, from time to time, to ensure HMRC are aware of ongoing issues relevant to the business.

11 Controls and Reporting - Controls Environment

The Phoenix UK Group aims to operate in an environment where adequate I.T. systems, processes and controls are in place, with review by experienced and qualified staff, managers and directors.

The accounting systems are reviewed and updated for changes in tax rates as and when required.

Professional advice is taken when necessary to ensure necessary tax changes are implemented.

The Company undergoes an annual external audit and other internal audits from time to time, which would be expected to highlight weaknesses in controls.

Controls are also continually monitored, and updated as required, by the management teams. The Phoenix UK Group has a tax risk register in place to assist with this.

These teams include members of staff with professional qualifications, who are encouraged to maintain their continuing professional development. Other members of staff will be given relevant training specific to their role. In relation to this Tax Strategy this includes the relevance and importance of the various types of tax and the requirements to record and report them.

Controls in place include a segregation of duties and a review process by managers across the business. This includes authorisation of invoices and expenses payments by department managers, a review of accounting entries by Finance Managers on a regular basis as part of the management accounting process, which includes reconciliation of tax control accounts for each of the main taxes. The Finance Reporting Manager and Finance Business Partners will also review price files with the relevant departments to ensure these are correct and these files are also audited.

The Company has an Anti Tax Evasion policy in place, made available for all staff, which details the Company's responsibilities under 'The Criminal Finances Act 2017'. Senior staff are required to carry out training in relation to the policy.

The SAO also ensures that managers review their systems regularly to ensure that tax accounting is accurate.

12 Tax Strategy Review

The Phoenix UK Group Tax Strategy will be the responsibility of the Senior Accounting Officer, as directed by the Board.

This strategy document will be reviewed periodically and at least once per year. Any proposed changes will be discussed and approved by the Board. This policy may be reviewed periodically if any guidance or legislation changes.

The latest Group Tax Strategy will also be published annually on the appropriate company websites and made available free of charge to the public, in accordance with guidance and legislation.

This strategy will apply from the date of publication until it is superseded.

13 Board Approval

The Board of Phoenix Medical Supplies Ltd. (Board) have considered and agree with the purpose and scope of this document, the document has been appropriately reviewed and will become effective on the date noted above.

This Tax Strategy document was approved by the Board in a Meeting held on 21 January 2026.

A. Appendix – Group Companies

This tax strategy applies to the following Group Companies.

Active Companies

Phoenix Medical Supplies Limited
Phoenix Healthcare Distribution Limited
Pharmassist (Solutions) Limited
L.Rowland & Company (Retail) Limited
Nupharm Limited
G Pharma Limited
Nucare Limited
PXG Pharma UK Limited

Dormant companies

Numark Limited
Practice Services UK Limited
LP North One Limited
LP North Seven Limited
