



# 2022

OUR TAX STRATEGY

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Assala's core Values are embedded in our approach to tax governance, compliance and tax risk management.

## **Build win-win partnerships with governments and local communities to ensure long-term benefit from our operations.**

Assala is committed to complying with the tax legislation of the countries in which it operates or has a business presence. We operate a tax governance framework of processes and controls to ensure we report and pay the correct amount of tax when it is due.

Where we claim tax incentives offered by government authorities, we seek to ensure that they are transparent and consistent with statutory and regulatory frameworks, and come in support of further investments rather than profits.

We believe that developing transparent, co-operative, and professional relationships with tax authorities is key to building long-term partnerships with governments and local communities, based on mutual trust and collaborative working practices.

## **Engage in robust financial management**

Assala's tax governance framework is incorporated into its operating activities, and tax management is a core responsibility of the Group and Assala Gabon Finance departments.

The Group Finance Manager and Assala Gabon Finance & Administration Director provide oversight of tax in the UK and Gabon, respectively, including the management of tax risk and the maintenance of tax related policies and procedures under the guidance of the Chief Financial Officer, who reviews and recommends tax strategy to the Chief Executive Officer and Board of Directors.

We seek tax advice from external advisers for material transactions, when external expertise is required for a particular area of tax legislation, in case a legal check is required, and for the interpretation of tax treatment, where uncertain.

## **Act with integrity by complying with our Code of Conduct and applicable international compliance regulations**

Assala, our employees and third parties acting on our behalf are committed to act with honesty and integrity, not only with respect to tax governance and compliance, but in all aspects of business, as set out in our Code of Conduct.

Transactions with related parties and between Group companies are executed on an "arm's length" basis, in line with Organisation for Economic Cooperation and Development (OECD) Guidelines and international best practice.

Assala's business structure and tax planning are driven by commercial and operational considerations. They are fully aligned with business activity, and we do not seek to circumvent tax liabilities.

Tax efficiency is not the main objective of the key strategic decisions made by Assala.

We are committed to complying with OECD Pillar 2<sup>1</sup> legislation, expected to be introduced in 2023.

## **Commit to the application of international best practices & standards**

Tax management, being a core component of corporate responsibility and governance, is overseen by our Board of Directors.

We understand that taxation is an important factor for the social and economic welfare of the communities local to our operations. Accordingly, we support the principles of tax transparency and are committed to providing regular information to our stakeholders about our total tax contribution.

1. The purpose of the OECD Pillar 2 rules is to ensure multinational businesses pay a minimum rate of tax in every jurisdiction in which they operate. Source: <https://www.oecd.org/tax/beps/pillar-two-model-rules-in-a-nutshell.pdf>



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