UK Tax Strategy

The tax strategy described in this publication relates to the year ending 31 December 2025 and applies to all UK entities which are consolidated for financial reporting purposes with H.I.G. Capital, LLC ("H.I.G. UK Group"). H.I.G. Capital, LLC regards the publication of this strategy as complying with its duty under paragraph 16(2) of Schedule 19 of the Finance Act 2016 (the "Schedule") in respect of the financial year ending 31 December 2025. References to "UK Taxation" are to the taxes and duties set out in paragraph 15(1) of the Schedule, which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax and Stamp Duty Land Tax. The strategy applies from the date of publication until superseded.

1. Approach to Managing Tax Affairs

We are committed to complying with the letter, spirit, and intention of the tax laws in all the jurisdictions where we operate. This also includes providing information to our stakeholders, so they can report and pay tax in the jurisdictions required. In structuring our business activities, we consider relevant tax laws and utilize available tax reliefs and incentives to increase value for our investors and stakeholders. We do not participate in tax avoidance schemes or engage in artificial tax arrangements, and we seek to minimize the risk of uncertainty or disputes. We conduct transactions between group companies on an arm's-length basis and in accordance with current OECD principles. Our tax planning is led by business purpose and economic substance rather than tax outcomes, and we treat tax as a regular cost of doing business. We claim available reliefs and incentives only where doing so is consistent with the intention of Parliament and the underlying commercial activity.

2. Tax Risk Management

H.I.G. has a low appetite for UK tax risk and manages UK tax risk in a similar way to other areas of operational risk across the firm. Where tax law is unclear or subject to interpretation, we seek to achieve certainty where reasonably possible, including (where appropriate) through engagement with HMRC in advance of filing. We evaluate, monitor, and manage tax risks to ensure compliance with applicable tax laws and regulations. We retain external advisors and legal counsel to provide tax advice and assistance with ongoing tax compliance and tax strategy matters, particularly for areas of uncertainty or complexity.

We have procedures and controls to ensure our taxation policies are up to date with all international tax regulations, including UK tax legislation. These procedures and controls support the filing of accurate and timely tax returns and paying the right amount of tax in the UK.

Our policy is that criminal tax evasion, or the deliberate facilitation of such tax evasion, is unacceptable. This applies irrespective of whether the evasion would have taken place in the UK or anywhere else in the world, and in relation to both UK and non-UK taxes. We have carried out a comprehensive risk assessment and implemented procedures and controls intended to prevent any such evasion or facilitation.

3. Governance

The Global Head of Tax is responsible for formulating and implementing our approach to tax. Senior leadership of H.I.G. Capital, LLC comprising the Operational Risk Committee along with the Global Head of Tax are collectively responsible for ensuring that policies and procedures that support the approach are in place, maintained and used consistently around the world, and that the global tax team has the skills and experience to implement the approach appropriately.

The Global Head of Tax is responsible for the development and implementation of the Group's tax strategy which is subject to the oversight provided by senior leadership, with regular reporting to the Global CFO and General Counsel. This approach seeks to ensure that the Group's tax strategy also considers the potential reputational impact and the expectations of investors, regulators and other stakeholders. Where appropriate, tax matters are escalated to senior management to ensure alignment with the Group's risk framework and strategic objectives.

The UK tax strategy is reviewed and approved annually by senior leadership of the H.I.G. UK Group

4. Relationship with HMRC

We seek to maintain an open, transparent, and collaborative relationship with HM Revenue & Customs ("HMRC") based on respect, integrity, and fairness. We make fair, accurate and timely disclosures in correspondence and returns and respond promptly to HMRC queries and information requests. Where there is significant uncertainty or complexity, we seek to engage HMRC in real time, ahead of filing where practicable, with the aim of achieving certainty. Where disputes arise, we seek to resolve them through open and constructive dialogue with HMRC. Through this approach, we seek to maintain a constructive and transparent relationship with HMRC consistent with our low-risk approach to tax governance.