

Tax policy

Haldor Topsoe is the world leader in high-performance catalysts and proprietary technology for the chemical and refining industries. We enable companies in the chemical, oil and gas industries to get the most out of their processes and products, using the least possible energy and resources. And we are at the forefront of developing sustainable technologies.

Our solutions address pressing global challenges, such as improving energy efficiency, enhancing food production for the world's growing population, and protecting our environment.

This policy outlines the principles by which Topsoe manages its tax affairs in a compliant, responsible, and transparent manner. The tax policy has been approved by the Board of Directors and applies to all entities of the Topsoe Group.

Global compliance

As a member of the global community, Topsoe is obligated and committed to comply with the tax legislation of the countries in which the Group operates. We aim to do such by having adopted the principle that we do not only follow the letter of the law, but also the intention of the law.

Topsoe conducts business in several countries globally and is thus subject to multiple tax regimes. This results in a high level of complexity and uncertainty. We aim to manage this uncertainty by applying a principle of "more likely than not", i.e. we only apply tax structures which are more likely than not to be accepted by tax authorities if challenged. In cases where legislation is unclear and/or inconsistencies exist between case law and legislation, we seek to clarify this by either obtaining an external opinion or in dialogue with the relevant authorities.

Topsoe pays taxes according to where value is created, and the Group strives to comply with filing procedures on tax reporting, e.g. tax return, transfer pricing documentation, etc. at all times.

Transparency

Topsoe has adopted a transparent and consistent approach in relation to all tax matters and always endeavors to ensure that the tax position of the Group reflects the business reality of the transaction at hand.

Topsoe is transparent about its global group structure and uses structures which are commercially driven in line with its business activities. Topsoe does not use tax havens where the business activities are elsewhere in order to gain tax benefits. When establishing new entities and/or business opportunities, the location of such is driven by business reason.

Tax incentives

When tax incentives are utilized by Topsoe, the Group aims to ensure that such incentives are transparent and implemented in the way they were intended by the local authorities. Topsoe only seeks to obtain tax incentives where and if these are aligned with our business model.

Tax governance

Tax is part of Topsoe's corporate responsibility and the Board of Directors is ultimately responsible for the tax policy. The responsibility for management of tax risks rests with the CFO. The day-to-day management of tax affairs is handled by a centralized tax team, located at Topsoe's headquarters in Denmark.

Topsoe continuously evaluates its processes and controls to ensure compliance with local and international standards.

Topsoe is committed to maintaining a cooperative and long-term relationship with the tax authorities. Topsoe is thus open and transparent towards enquiries from tax authorities and seeks an open dialogue where possible with tax authorities through officially established procedures and channels.

Quarterly reports are submitted to the Audit Committee on tax matters relevant for Topsoe locally and globally as well as on any potential risks which need to be addressed.

Last approved by the Board of Directors of Haldor Topsoe A/S on September 30, 2019.