



AVK-COM-PL-027

UK Tax strategy

Statement

for the Year Ending 31 March 2026

Document Revision History				
Version	Date	Description of Change	Author/Editor	Approved By
1.0	25/09/2025	New Document	Finance	CFO
1.1	25/03/2026	Update strategy for the current financial year	Finance	CFO

Document Number	Version	Date	Document Owner	Control Status	Page No.
AVK-COM-PL-027	1.1	25/03/2026	Finance	Uncontrolled when printed or downloaded	Page 2 of 4

1. Introduction

This document sets out the UK tax strategy of AVK Power Solutions Limited and its subsidiaries ("AVK" or "the Group") in accordance with Paragraph 16(2) of Schedule 19 of the UK Finance Act 2016.

It applies to all UK operations within the AVK Group and is published in compliance with the legal requirement for large UK businesses to publish their UK tax strategy annually. This strategy is effective for the financial year ending 31 March 2026 and is reviewed and updated annually.

2. Approach to Tax Risk Management and Governance

AVK is committed to conducting its tax affairs with integrity, transparency and in line with applicable legislation. Responsibility for the Group's tax strategy rests with the Board of Directors.

Day-to-day management of tax risk sits with the CFO and finance leadership team, supported by appropriately qualified external tax advisers where required.

Tax risk is managed as part of the Group's wider risk management and internal control framework. Identified tax risks are recorded within the corporate risk register and assessed based on likelihood and potential impact. Appropriate controls and processes are implemented to mitigate these risks.

The Group maintains robust policies and procedures to ensure timely and accurate compliance with UK tax obligations, including corporation tax, VAT, PAYE, NIC and other relevant taxes.

AVK's control environment is supported by core financial systems, including ERP and finance platforms, which underpin the accuracy, completeness and auditability of financial and tax data. Standardised processes, system-based controls and regular reconciliations are in place across the Group to support reliable tax reporting and compliance. These controls are subject to periodic review and enhancement as the business continues to scale.

The Group complies with the requirements of the Senior Accounting Officer (SAO) regime. The SAO is responsible for ensuring that appropriate tax accounting arrangements are in place and for providing annual certification to HMRC. This forms part of AVK's broader commitment to maintaining a strong and effective tax control environment.

3. Attitude Towards Tax Planning

AVK undertakes tax planning that supports its commercial operations and aligns with both the letter and spirit of UK tax legislation.

The Group does not engage in artificial or aggressive tax avoidance arrangements. Transactions are structured in a manner that reflects genuine commercial activity and economic substance.

Where tax incentives and reliefs are available (including, but not limited to, capital allowances and R&D tax relief), AVK will seek to utilise these where the underlying activity qualifies and is consistent with the Group's commercial objectives.

External advice is sought in areas of material complexity or uncertainty to ensure appropriate interpretation and application of tax legislation.

Document Number	Version	Date	Document Owner	Control Status	Page No.
AVK-COM-PL-027	1.1	25/03/2026	Finance	Uncontrolled when printed or downloaded	Page 3 of 4

4. Risk Appetite in Relation to Tax

AVK maintains a low appetite for tax risk. The Group seeks to comply fully with all applicable tax laws and regulations and to meet all filing and payment obligations on a timely basis.

Where there is uncertainty in the application of tax law, the Group adopts a prudent approach and seeks professional advice as appropriate. The objective is to minimise the risk of unexpected tax exposures and to ensure that positions taken are supportable and aligned with the Group’s overall governance standards.

5. Working with HMRC

AVK is committed to maintaining an open, transparent and constructive relationship with HMRC.

The Group seeks to engage with HMRC in a timely and cooperative manner, providing accurate information and responding promptly to queries. Where appropriate, AVK engages with HMRC on a real-time basis to discuss significant or complex matters.

The Group supports HMRC’s objective of ensuring that businesses pay the correct amount of tax at the appropriate time.

6. UK Tax Contribution

AVK recognises that its contribution to the UK economy extends beyond corporation tax and includes a wide range of taxes borne and collected.

The Group pays and collects taxes in the UK including, but not limited to, corporation tax, employer’s National Insurance contributions, business rates, and irrecoverable VAT, as well as collecting and remitting PAYE, employee National Insurance contributions and VAT on behalf of HMRC.

AVK is committed to paying the right amount of tax at the right time in the jurisdictions in which it operates and considers its tax contribution as part of its broader responsibility to stakeholders, including employees, customers, suppliers and the communities in which it operates.

7. Publication and Review

This strategy has been approved by the Board of Directors of AVK Power Solutions Limited and is published on the Group’s website in accordance with Schedule 19 of the Finance Act 2016.

The strategy is reviewed annually and updated as required to reflect any changes in the Group’s operations, risk profile or applicable legislation.

Document Number	Version	Date	Document Owner	Control Status	Page No.
AVK-COM-PL-027	1.1	25/03/2026	Finance	Uncontrolled when printed or downloaded	Page 4 of 4