

Celsius Network Limited - UK Tax Strategy Publication

The publication of this tax strategy is regarded as satisfying the statutory obligation, under Part 2 of Schedule 19 of the Finance Act 2016, for Celsius Network Limited (“Celsius”/“Business”) and its subsidiaries (together “the Group”) for the period ended 31 December 2021.

The tax Strategy below discloses the following:

- The approach of the business to risk management and governance arrangements in relation to UK taxation;
- The attitude of the business toward tax planning as it affects UK taxation;
- The level of risk in relation to UK taxation that the business is willing to accept; and
- The approach of the business in dealing with Her Majesty’s Revenue and Customs (“HMRC”).

Our Commitment to Tax Risk Management and Governance

Celsius and the Group were created to establish a community centric organisation that will always act in the best interest of its customers and users, providing: the ability to transfer digital assets to the Group and earn yield on such assets; and the ability to borrow against such digital assets. As part of the digital asset evolving atmosphere, Celsius is aware of the limited availability of tax resources and market experience. Celsius therefore acts with diligence and extra care in managing all tax-related activities and maintains appropriate tax governance procedures to align with the relevant regulations and tax laws. We strive to pay the correct amount of tax at the right time, under all relevant laws and regulations, including in the UK. Celsius adheres to the OECD’s guidelines on transfer pricing, and Celsius’ transfer pricing policies are applied consistently around the world. Celsius employs certified finance and tax professionals and takes advice from top tier independent external tax, legal, and accounting firms to ensure that our risk management decisions are based upon the latest and most relevant interpretations of laws and regulations.

Our Attitude to Tax Planning

Celsius routinely considers, among other factors, the tax laws of the jurisdictions in which it operates to maximize value on a sustainable level for itself and its affiliates, its users, and the communities with which it does business.

Any and all commercial and economic endeavours Celsius pursues will not in any way be contrived or artificial in nature for the sole purpose of reducing tax. Celsius will consider transactions that give rise to tax efficiencies, that are tax compliant, and are aligned with its objectives as discussed herein. Celsius will not engage in tax efficiency solutions if the underlying commercial and economic values do not support Celsius' reputation, brands, business and its responsibilities to its community, or future working relationship with HMRC as well as other tax authorities in any jurisdiction in which Celsius operates.

Our Attitude to Tax Risk

Celsius assesses the tax risks and analyzes different tax outcomes that may arise from its operations. Where there is uncertainty as to the application or interpretation of tax legislation, Celsius obtains the necessary advice to support its assessment of the tax risks and outcomes. Celsius seeks to ensure that its tax arrangements remain consistent in approach from both a financial and reputational standpoint.

Celsius periodically communicates its code of conduct to its employees which stresses Celsius' commitment to ethical, transparent, and responsible behavior in everything Celsius does. Celsius' approach to tax is aligned with the code of conduct.

Our Commitment to an Open Relationship with HMRC

Celsius complies with HMRC's regulations, and is committed to act in a candid and transparent manner in all interactions it might have with HMRC. Celsius seeks to comply with all global tax reporting requirements and payment obligations, including that of the UK.

This Tax Strategy has been communicated to all relevant stakeholders within Celsius such that it is firmly embedded in its culture. This Tax Strategy will be subject to continuous review by these stakeholders to ensure that Celsius is adhering to its strategic goals. Such reviews will be documented and made available to management as part of its annual review.