EQT Tax Policy

Introduction to EQT

EQT invests in good companies across the world with a mission to help them develop into great and sustainable companies. In carrying out its business activities, EQT comes into contact with different tax authorities and taxes in multiple jurisdictions on a daily basis. EQT’s requirements to comply with the tax rules and regulations of the countries in which EQT operates change as legislation changes and our dynamic business activities develop.

The EQT tax strategy is fully aligned with the EQT business strategy. Tax planning principles and decision making around tax should always be considered in the light of the EQT commercial objectives and long-term sustainable behavior. EQT’s focus on responsible ownership and sustainable investment extends to the way tax affairs are managed.

Key roles and responsibilities

EQT has a clearly defined governance model covering tax affairs on a global level. The responsibility for setting the Tax Policy is central, but the model promotes local responsibility for local tax issues, including the implementation of the policy. EQT actively works to ensure that roles and responsibilities are well understood, and that decisions regarding tax issues are made by well informed and trained professionals, in the jurisdiction in which they operate.

EQT Tax is responsible for monitoring the consistent implementation of the Tax Policy on a global level and is also responsible for maintaining and developing the policy.

Management of taxes

EQT has robust documented guidelines, processes and controls for managing taxes throughout the EQT platform.

The main processes include fund structuring, acquisitions and exits made by the various EQT funds, tax compliance as a well as support for value creation in the portfolio companies.

Identification and evaluation of tax risk

EQT ensures that all tax risks are identified and mitigated through tax risk identification processes.

EQT evaluates all business transactions using a consistent approach and clear parameters to ensure that foreseeable tax effects of transactions or events are in line with EQT’s overall goal of creating long-term sustainable value.

All material transactions or events where the potential tax effects are uncertain are considered in the light of a tax technical analysis, financial materiality, accounting and regulatory disclosure requirements, operational risk, reputational risk and compatibility with the goal of creating long-term, sustainable value. EQT will use external advisers wherever necessary to ensure that it has the most accurate and up to date analyses in order to facilitate informed decision making by the relevant person or body within EQT.
Attitude to tax planning

Tax plays an important part in EQT’s strategy to develop good companies into great sustainable companies, which includes considering the impact businesses have on the environment and communities in which they operate. EQT acknowledges that although companies have a responsibility to manage all their costs, including taxes, companies contribute to the development of the communities in which they operate by paying taxes.

EQT believes that unacceptable tax practices can erode trust for EQT and for portfolio companies and in turn damage reputations and, possibly, in the long-term, the license to operate. Hence, EQT believes that aggressive and abusive tax practices are counterproductive to the long-term strategy and sustainable approach.

Relationship with tax authorities

EQT deals with tax authorities in a transparent, respectful and professional way.