

## **UK Tax Strategy Statement**

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### ***Overview***

Waters Corporation (“Waters”) is a specialty measurement company and, together with its group of companies, is a pioneer in chromatography, mass spectrometry and thermal analysis innovations serving the life, materials and food sciences markets. Waters primarily designs, manufactures, sells and services high performance liquid chromatography, ultra performance liquid chromatography and mass spectrometry technology systems and support products, including chromatography columns, other consumable products and comprehensive post-warranty service plans. In addition, Waters designs, manufactures, sells and services thermal analysis, rheometry and calorimetry instruments through its TA® product line. Waters is also a developer and supplier of software-based products that interface with Waters’ instruments, as well as other suppliers’ instruments.

This Tax Strategy Statement sets out our approach to managing the tax affairs of the Waters affiliated entities operating in the United Kingdom (collectively the “UK Group”).

This strategy and our underlying processes and controls in relation to our UK Group tax affairs, has been approved by the directors of our UK Group and is subject to periodic review.

### ***Approach to governance and tax risk management***

At Waters, we are dedicated to maintaining the highest standards of business integrity. We believe that adherence to sound principles of corporate governance is essential to protecting Waters’ reputation, assets, investor confidence, and customer loyalty. We strive to apply high ethical, moral and legal principles in every aspect of Waters’ business conduct and all employees, including those in the UK Group, must comply with our [Global Code of Business Conduct and Ethics](#).

Waters’ Board of Directors and its various committees are responsible for ensuring our business is conducted and managed in a responsible manner, in accordance with our corporate governance guidelines and we seek to maintain the highest standards in transparent accounting and reporting.

As part of the larger Waters group of companies, The UK Group operates internal controls in accordance with the United States Sarbanes-Oxley Act of 2002. To ensure compliance with relevant tax laws, the policies and procedures in relation to taxation are managed by suitably trained individuals within our United Kingdom (“UK”) finance teams, with appropriate support from Waters’ Global Tax Function, to ensure all tax liabilities are reported and paid to the tax authorities.

Waters’ internal audit function conducts testing and reports on the effectiveness of the implemented controls in the UK and other Waters locations worldwide. These internal controls are also subject to periodic external audit.

We actively manage the inevitable tax risks that arise from time to time due to the size and global nature of our business. For example, where there is significant uncertainty or complexity regarding taxation matters involving foreign or domestic acquisitions, innovation incentives or cross-border transactions, we seek professional advice and discuss the matter with the tax authorities if appropriate.

### ***Structuring our UK tax affairs***

The UK Group is committed to always paying the correct amount of tax that is legally due and in line with its duty to maximize return to Waters and Waters shareholders. This includes making use of tax incentives, reliefs and exemptions legitimately offered by Her Majesty's Revenue and Customs ("HMRC").

The UK Group's approach in managing taxation is to concentrate on the commercial objectives of the business. The UK Group does not operate in a way that we believe should be considered contradictory with the objective and spirit of relevant tax legislation, nor do we engage in artificial tax planning. The UK Group adopts a conservative and risk averse approach to taxation.

### ***Dealing with UK tax authorities***

The UK Group seeks to maintain an open and honest relationship with HMRC, discussing matters on a real time basis where applicable.

Our approach to tax reporting in the United Kingdom is to provide full disclosure of material tax matters, for example acquisitions and disposals, to provide clarity to HMRC of the approach taken, along with supporting rationale.

In publishing this Tax Strategy the UK Group is fulfilling its responsibilities under paragraph 19(2) of Schedule 19 of the Finance Act of 2016. This strategy covers the period ended 31 December 2019 and all subsequent financial years until superseded.