

U.K. Tax Strategy

As approved by the Board of Directors, this document sets out our policy and approach to conducting our UK tax affairs for the period ending 31 December 2023 and applies to all UK companies within the Cleveland Clinic health system, including Cleveland Clinic Philanthropy (UK) Ltd, a charity established to promote the advancement of health, medical education, and research.

The publication of this strategy statement is regarded as satisfying the statutory obligation under Para 16(2), Schedule 19, Finance Act 2016 for all companies.

Cleveland Clinic is one of the leading providers of specialised medical care in the world, focused on providing clinical excellence and superior patient outcomes. It is an integrated healthcare delivery system with hospitals, clinics, and wellness centres in the U.S. (Ohio, Florida, and Nevada), Canada (Toronto), the U.A.E. (Abu Dhabi) and the United Kingdom (London). Our first healthcare facility in London, Cleveland Clinic Portland Place Outpatient Centre, opened in September 2021, and our 184-bed hospital located in central London opened in March 2022. Our mission – caring for life, researching for health, educating those who serve – continues to drive us to seek innovation and improvement in delivering world-class clinical care and patient experience.

Cleveland Clinic’s Statement of Values provides the foundation on which our business operates, including our approach to taxation. We are committed to compliance with all applicable tax laws in the jurisdictions in which we do business.

Approach to Risk Management and Governance Arrangements in Relation to UK Taxation

As with all jurisdictions where Cleveland Clinic operates, our policy, as established by our Statement of Values, is to operate with integrity by doing what is honest and fair. With respect to managing UK tax risks, our policy is to comply with all applicable regulatory requirements, taking into account operational, economic, and reputational factors. We maintain processes and procedures to ensure timely and accurate filing of tax returns.

Accountability for the UK tax strategy rests with the Board of Directors along with the overall stewardship of the UK risk management systems and internal control environment. Responsibility for the implementation of the tax strategy rests with the Group Tax Function in order to meet the UK Group’s tax responsibilities. Finance and Executive Leadership are updated on any significant tax issues. The Board is also updated on any significant tax issues requiring its oversight or input.

Attitude Toward Tax Planning

In analyzing our UK transactions and commercial activities, we will consider, among other factors, the tax laws of the countries within which we operate with a view to tax efficiency while meeting business objectives. Any tax planning undertaken will have commercial and economic substance and will have regard to the potential impact on our reputation and broader enterprise goals. We conduct transactions between our companies on an arm’s length basis. We will not undertake planning that is contrived or artificial; our planning will be consistent with our stated Values of quality and integrity.

Level of Risk in Relation to UK Taxation

Management of tax risk aims to ensure that we pay the correct amount of tax and comply with reporting and disclosure requirements while meeting our business objectives. We carefully manage the tax risks and costs inherent in every commercial transaction in the same way as any other costs. Taking into account the need for tax efficiency, transactions are analyzed based on our understanding of the currently applicable laws and practice. Where there is uncertainty surrounding the interpretation of tax laws, we will seek guidance and input from external tax advisors. We do not enter into artificial arrangements in order to avoid taxation or to defeat the stated purpose of legislation.

Approach Toward Dealings with HMRC

We seek to develop and maintain professional and cooperative relationships with all tax authorities, including HMRC, conducting our interactions with transparency, honesty, and integrity.