

TH Frag Bidco Ltd

Group tax strategy

In accordance with the requirements of paragraph 16(2) of Schedule 19 of the Finance Act 2016, the Recycling Lives Group presents the Group's UK Tax Strategy for TH Frag Bidco Limited and its subsidiaries ("the Group"). This tax strategy applies to all UK taxes applicable to the Group and has been approved by the Board of Directors of TH Frag Bidco Limited ("the Board").

The Group is committed to comply with all applicable tax laws in the UK and all the countries in which it operates. It is recognised that taxation matters are often significant in a corporate transaction, and therefore a key objective of our strategy is to ensure that tax affairs of the Group are in good order and uncertainties are minimised.

Approach to risk management and governance arrangements

When evaluating a taxation matter, consideration will be given to the level of risk, the ease of implementation and consideration of any tax reliefs or opportunities available to us that are clearly within the legislation and related HMRC guidance.

The Group has a low appetite towards tax risk and as such all significant tax decisions are agreed by the Chief Financial Officer and reviewed, monitored and endorsed by the Board. It is the responsibility of the Finance teams to ensure all taxation issues are promptly reported to the Group CFO as soon as they become aware of them.

External tax advisors are on hand to provide tax advice and confirmation where required, for example when new legislation is introduced or on areas of uncertainty. External tax advisors also review the UK Corporation tax returns before they are filed to HMRC.

Attitude towards tax planning

When entering into commercial transactions, the Group seeks to take advantage of available tax incentives, reliefs and exemptions which are consistent with the spirit as well as the letter of the tax law and takes external advice to confirm this if necessary.

The Group's policy is to not enter into any artificial tax planning arrangements that are not underpinned by a commercial transaction. Reliance is placed on external advisors for advice relating to tax in the context of commercial transactions, updates and interpretations of tax legislation. Compliance is the responsibility of the business but will be monitored where appropriate by local external tax advisors.

The level of risk in relation to UK taxation

The Group seeks to comply fully with its regulatory obligations and ensures the tax arrangements are consistent with a low tax risk approach to conducting its business. The Group's reputation, brand, and corporate and social responsibilities will inform the approach taken in any tax-sensitive transactions.

The Group does not seek to structure transactions in ways that give tax results inconsistent with their underlying economic consequences.

Where the tax treatment of any particular material transaction is uncertain, external tax advice will be sought before proceeding with the transaction.

The approach towards dealings with HMRC

The Group has an open and transparent relationship with HMRC and is proactive in disclosing issues, risks and uncertain tax positions on a timely basis. The Group will raise any matters with HMRC, particularly to avoid uncertainty, for example where it considers that HMRC may take a different view, or where the Group is seeking confirmation of a particular approach.