

Metool Products Ltd - Tax Strategy

This document sets out the company's approach to conducting its tax affairs and dealing with tax risks. The company is committed to:

- Following all applicable laws and regulations relating to its tax activities
- Maintaining an open and honest relationship with the tax authorities based on collaboration and integrity
- Applying diligence and care in our management of the processes and procedures by which all tax related activities are undertaken, and ensuring that our tax governance is appropriate

Risk management

The company's approach to UK tax risk management is based on the principles of reasonable care and diligence, and is managed in a manner consistent with the management of any other risks.

We regard tax risk as any uncertainty from either the interpretation of tax law to a particular situation, or the practical implementation of tax law, which has the potential to have an adverse financial or reputational outcome.

Identified tax risks are assessed and conclusions reached on how individual risks should be managed. Where there is uncertainty in how relevant tax law should be applied, external professional advice is sought to support the Company's decision-making process.

Tax risks are managed locally by the Management. All identified risks are raised through the appropriate levels of management and ultimately to the Board, and if necessary engagement with HM Revenue & Customs takes place. This approach follows the approach of the Parent Company and Group Tax planning.

The Company's tax planning aims to support the commercial needs of the business by ensuring that transactions are carried out in the most tax efficient manner whilst remaining compliant with all relevant laws. The tax function is therefore involved in commercial decision-making processes and provides appropriate input into business proposals to ensure a clear understanding of the tax consequences of any decisions made.

In cases where the tax guidance is unclear or the Company does not feel it has the necessary expert knowledge to adequately assess the consequences, external professional advice is sought to support the Company's decision-making process.

The Company will not engage in tax efficiencies if the arrangements impact upon the reputation, brand, corporate and social responsibilities or future working relationship with HMRC. The Company will not knowingly engage in, or support, any form of tax evasion.

Furthermore, in operating our tax risk management and governance processes, the Company has a low appetite towards tax risk. We are committed to full compliance with our tax obligations. We seek to ensure that our tax arrangements remain consistent with a low risk assessment, both in financial and reputational terms.

Approach towards dealings with HMRC

The Company is committed to the principles of openness and transparency in its approach to dealing with HMRC, and in particular the Company commits to:

- Make fair, accurate and timely disclosures in correspondence and returns, and respond to queries and information requests in a timely fashion
- Seek to resolve issues in a timely manner, and where disagreements arise, work with HMRC to resolve issues by agreement where possible
- Be open and transparent about decision-making, governance and tax planning
- Ensure all interactions with HMRC are conducted in an open, collaborative and professional manner
- From time to time we acknowledge that our views (or those of our advisors) on the appropriate tax treatment in any given case may differ from those of the tax authorities. Where such circumstances arise, we will work constructively and proactively with the tax authorities in question with a view to achieving an early resolution to any matters arising.