



Tax Strategy for Tata Chemicals Limited UK Group

Purpose

This UK Tax Strategy Statement outlines the approach of the Tata Chemicals Limited group of UK companies ("UK Group") to managing its tax affairs in the UK. It is aligned with the requirements of the Finance Act 2016 (UK) and covers the UK Groups' strategy for complying with tax law and ensuring the responsible management of its tax obligations in respect of the period ending 31 March 2025. This was approved by the Boards of the UK group and published in January 2025.

Scope

Our tax strategy covers our approach to the following:

- risk management and governance arrangements in relation to UK taxation,
- the attitude of the UK Group towards UK tax planning,
- the level of risk in relation to UK taxation that the UK Group is prepared to accept, and
- the approach of the UK Group towards its dealings with HMRC.

Introduction

The UK Group comprises three main operating companies, Tata Chemicals Europe Limited ("TCE"), British Salt Limited ("BS") and Winnington CHP Limited ("WCHP") plus several intermediate holding companies and non-trading companies.

TCE manufactures and sells sodium bicarbonate, soda ash and related products. BS manufactures and sells salt products and is involved in the development of salt cavities for the purpose of natural gas storage. CHP produces steam, electricity and carbon dioxide for sale.

The tax profile of the UK Group includes corporation tax, energy taxes (e.g. climate change levy), environmental taxes (e.g. landfill, UK emissions trading and plastic packaging tax), employment taxes (PAYE, national insurance and apprenticeship levy) and indirect taxes (import duty and VAT).

Tax risk management and governance

The tax and finance functions of the various UK Group companies have delegated responsibility for ensuring adequate policies and procedures are in place to manage the UK Group's tax affairs, to assess and mitigate tax risks, and to maintain and source the necessary skills and experience to implement the tax strategy.

The Senior Accounting Officer of each UK Group company has a responsibility to ensure there is sufficient awareness of tax affairs at board level.

The UK Group companies implement risk management measures which are appropriate, taking into account the size and complexity of the individual company. These measures include the establishment of a register of tax risks and mitigating controls, together with associated compliance review processes.

Attitude to Tax Planning

The UK Group does not tolerate tax evasion or the facilitation of tax evasion.

The UK Group does not use tax avoidance schemes or aggressive tax planning.

The UK Group engages in tax planning in accordance with the following principles and practices:

- To support genuine commercial and economic activity;
- Applying tax incentives and exemptions in the manner intended and not taking an aggressive interpretation of tax legislation;
- Seeking external technical advice where the level of in-house knowledge and experience is insufficient;
- Full compliance with the Tata Code of Conduct and core principles, including the consistent application of arm's length principles where transactions are between related parties.

Level of acceptable tax risk

The UK Group proactively seeks to identify, evaluate, manage, and monitor risks to ensure they remain in line with the UK Group's low risk appetite.

The UK Group is committed to compliance with fiscal obligations. Compliance represents paying the right amount of taxes on time, full disclosure and engagement with tax authorities as necessary, and claiming reliefs and incentives where available.

Where there is uncertainty or complexity in relation to a tax risk, external technical advice may be sought.

Relationships with tax authorities

The UK Group proactively engages with tax authorities and government bodies, including HMRC, with integrity and in the spirit of co-operation and collaboration. The UK Group aims to have a professional and constructive relationship with tax authorities, maintaining frequent contact and transparent disclosure.

Created by: Caroline Weeks on Wednesday, 15/01/2025

Approved by: John Abbotts on Tuesday, 28/01/2025

Published by: Caroline Weeks on Tuesday, 28/01/2025

Next Review Date: Saturday, 31/01/2026