Haltermann Carless UK Tax Strategy for the Year Ending 31 December 2023

Scope

Haltermann Carless UK Limited publishes this Tax Strategy covering the tax affairs of the group as well as the approach to managing the tax risks in the UK.

The publication of this Tax strategy for the year ending 31 December 2023 is compliant with the requirements of Paragraph 16 (2), Schedule 19, Finance Act 2016.

This document is freely and publicly available and will allow stakeholders to understand the approach taken with regard to tax risk management in the UK.

References to UK taxation includes the following, in accordance with paragraph 16(4) Schedule 19, Finance Act 2016, but not limited to:

- Income Tax
- Corporation Tax
- Value Added Tax (‘VAT’)
- Amounts under Pay as You Earn (‘PAYE’) regulations
- Diverted Profits Tax (‘DPT’)
- Insurance Premium Tax
- Annual Tax on Enveloped Dwellings
- Stamp Duty Land Tax and Stamp Duty Reserve Tax
- Customs and Excise Duties
- National Insurance Contributions (‘NICs’)

Introduction

Haltermann Carless is an international provider of hydrocarbon products which involves the manufacturing, distribution and sale of such products.

We currently operate in various countries with sites and offices in UK, Germany, France, USA and Japan. Our hydrocarbon supply is active in numerous sectors such as the automotive, energy, agrochemical, aerospace and pharmaceutical industries.

Key Principles

We are guided by the following key principles in managing our Tax risks

- Tax risks should be identified, assessed, controlled, and reported in a timely manner
- Compliance with all tax laws across the jurisdictions in which we operate
- Be a responsible taxpayer, which includes paying the right tax at the right time.
- Document and maintain policies and procedures relating to tax risk management.
- Responding to and resolving issues with the tax authorities promptly as they arise.
- We will not knowingly enter into tax planning or artificial arrangements in order to gain a tax advantage

Responsibility - UK Tax Risk Management and Governance

As part of Haltermann Carless UK Limited and it's UK tax resident group companies ("The Group('s)") approach to risk management and governance, it is important that tax compliance obligations are met across the jurisdictions in which it operates.

Responsibility for tax risk management for the Group sits with the VP of Finance in the UK, who exercises professional competence and judgement to identify, assess, manage and mitigate any potential tax risks. This is reflected in their capacity as the Senior Accounting Officer ("SAO") for the group in the UK.

There are various levels of escalation / review covering all tax areas and external consultants are used where necessary.

The UK Finance and Accounting Team is responsible for the day-to-day management of the Group's tax affairs and work closely with the wider global Finance Team to ensure the fulfilment of all UK tax obligations and the implementation of tax risk management procedures across all UK subsidiaries.

Where relevant, finance personnel hold professional qualifications and maintain their professional competence responsibilities by meeting the professional bodies' CPD requirements. The group carries out regular training for all employees.

We engage external tax advisors to provide additional support as required.

Level of Acceptable Risk

When assessing tax risk, we consider the following considerations:

- scale
- reputational risk
- complexity
- our corporate responsibility obligations; and
- impact on our stakeholders.

The UK Group endeavours to identify and manage any tax risks through appropriate risk management. Where there is uncertainty around tax positions taken, we look to utilise reputable professional advisers, and where necessary, collaborate and seek clearance from the relevant tax authority.

We are willing to accept only a low level of risk in relation to taxation. We believe that this is consistent with our approach to governance and tax risk management, and this approach is agreed by the Board.

Our Attitude to Tax Planning

The Group considers itself to be risk averse in terms of it's approach to tax and does not enter into any tax planning or artificial tax arrangements which are contrary to the intended application of the legislation, however makes use of approved exemptions, incentives and reliefs in place from the relevant tax authorities.

Relationship with HMRC

The Group is in regular communication and collaborates effectively with HMRC, considering itself to have a good relationship with the tax authorities, in particular through the Customer Relationship Manager.

Alongside the use of outsource providers, management are willing to reach out to HMRC where there is any uncertainty around tax positions, or where the application of tax law is unclear, in order to ensure that there is awareness around any potential tax risks associated with the business.

Management are committed to ensuring that tax risks are monitored and managed effectively in conjunction with discussions with HMRC in order to remain compliant with legislative requirements. Where any enquiries are raised by tax authorities, the Group aims to respond promptly to requests for information to ensure ongoing collaboration with the relevant bodies.

In terms of transfer pricing, all intercompany transactions between group companies are undertaken on an arm's length basis and are aligned with the OECD guidelines.

Any decisions concerning tax are taken with consideration to the Group's wider reputation and relationship with all stakeholders.