

# Tax Strategy

This document sets out the strategy of Czarnikow Group Limited and its subsidiaries (The Group) for conducting its tax affairs and managing tax risk in accordance with Schedule 19, Finance Act 2016. The Group is a global commodities trader with significant exposure to international trade and are experts in that field. This policy document applies to all Czarnikow Group companies. References to taxation are to the taxes and duties as set out in paragraph 15(1) of Schedule 19 which includes Income Tax, Corporation Tax, PAYE, NIC, VAT and Stamp Duty Land Tax.

## **Commitment to compliance**

The Group has a complicated tax profile, having operations in many different jurisdictions. Our finance team work closely with external advisors where appropriate, putting us in an excellent position to meet our increasingly complex tax compliance requirements.

The UK group's internal controls and compliance with Senior Accounting Officer requirements contribute to the management and minimisation of tax related risks.

Through our staff on the ground in our offices globally, we work with local advisors to keep our international taxation affairs in good order. The global position is overseen from London

## **Attitude to tax planning**

As a group we aim to ensure that we comply with all legal tax requirements.

We take a measured approach to tax planning, ensuring that each group company is taxed appropriately in the territory in which they operate, and considering the location of the business.

Our global average corporate tax rate across the group reflects our long history of paying corporation tax on profits at an expected level for a business of our type in the correct jurisdiction. The Group's finance team together with their external tax advisors manages the responsibility for corporate income taxes, transfer pricing, indirect and employment taxes.

Professional diligence and care is applied in managing all tax matters and additional support and advice sought when necessary. We have controls in place to ensure we mitigate risk of facilitation of tax evasion by any associated persons of the Group. We are compliant with our obligations under the Corporate Criminal Offense legislation.

## **Working with tax authorities**

The UK Group has an open and transparent relation with HMRC. The majority of our interaction with HMRC occurs directly through our tax agents.

The group is not currently subject to any open audit from HMRC. However, we aim to respond to any queries or information requests from tax authorities in a timely manner and to ensure sufficient and appropriate disclosures are made in relevant returns where necessary