

## GROUP PRINCIPAL POLICY: TAX PRINCIPLES

### Camellia's tax principles

Our principles consist of the following:

- Compliance with applicable tax laws, rules, regulations and disclosure requirements.
- Payment of the correct amount of tax based on the tax laws, rules and regulations of the jurisdictions in which we operate.
- Interpretation of tax law using relevant guidance and in discussion with tax authorities where appropriate.
- Protection of shareholder value, without compromising the wider reputation of the Group.
- Undertaking tax planning which is aligned with a genuine commercial rationale.
- To be constructive and transparent with tax authorities.
- Proactively managing and monitoring compliance with the above tax principles.

### Tax compliance and risk

- Each operation should be fully compliant with the local tax law in the territories in which they operate, this includes:
  - filing timely and accurate tax returns;
  - full disclosure of the relevant facts in order to enable revenue authorities to form an accurate view of the tax affairs of the operation; and
  - retention of appropriate documentation in relation to tax compliance filings and support for transactions for the required statutory time limit.
- Group finance provides support to the operations as requested, or where material risks are identified, and is involved in any significant tax compliance issues such as, but not limited to, material tax audits or assessments raised by local tax authorities.
- Local advice from external tax advisers is taken where necessary to ensure all local compliance requirements are met.
- As part of the Group's commitment to ongoing compliance, the Group legal and finance teams provide guidance and training to the businesses on a periodic basis. This includes identifying any potential facilitation of tax evasion concerns that may give rise to legal or reputational risks to the Group in line with the new corporate criminal offence of failing to prevent the facilitation of tax evasion. There is a separate Anti-Tax Evasion Policy which each operation is required to comply with.

### Relevant Transactions

- The Group finance team is involved in all material Relevant Transactions and advises on the tax effects of those transactions before they take place to ensure consistency across the Group and the appropriate judgements on acceptable levels of tax risk can be made. Relevant Transactions include, but are not limited to, changes in corporate structure, M&A, cross border flows of goods and services and any transaction in which tax is a significant consideration.
- Any Relevant Transaction undertaken must satisfy the following criteria and external advice sought where appropriate:

Consideration of the following:

  - impact on tax risk of the Group;
  - relationship with tax authorities;
  - reputation of the Group; and
  - wider contribution of the Group to the territories in which we operate.

All transactions implemented must be:

- aligned with genuine commercial purpose;
  - fully disclosed to the relevant tax authorities as required by law; and
  - fully compliant with all laws, rules and regulations.
- Due to the nature of tax law, we recognise that at times tax authorities may have a different interpretation of the tax effects of particular transactions. Where this is likely to be the case, a decision to proceed with any material transaction is supported by advice from a specialist external tax adviser providing a strong level of certainty as to the tax consequences of the transaction.
  - Where practicable, Relevant Transactions are reviewed, maintained and monitored to ensure:
    - implementation is correct and is as intended;
    - changes in tax law are identified and action taken necessary; and
    - changes to facts, circumstances and commercial rationale are monitored.

### **Relationship with tax authorities**

- We seek to pursue a professional, and open relationship with all relevant tax authorities, and related third parties, in particular acting in a cooperative and transparent manner.
- We make appropriate disclosure of all transactions undertaken. We may seek certainty from relevant authorities on tax matters in advance of Relevant Transactions being undertaken.
- If disputes arise, we seek to work in a collaborative manner to agree the facts and set out the technical position with the relevant tax authority as quickly and efficiently as possible. We pursue tax litigation when advised that we have a strong technical position and where it is justified from a commercial and economic perspective.

### **Compliance with tax principles**

- Each operational finance team proactively identifies, monitors and manages compliance with the tax principles outlined here which have been communicated to the operations.

Breaches identified are recorded, evaluated and monitored, with remedial action taken to address issues identified and make improvements to avoid repetition in the future.