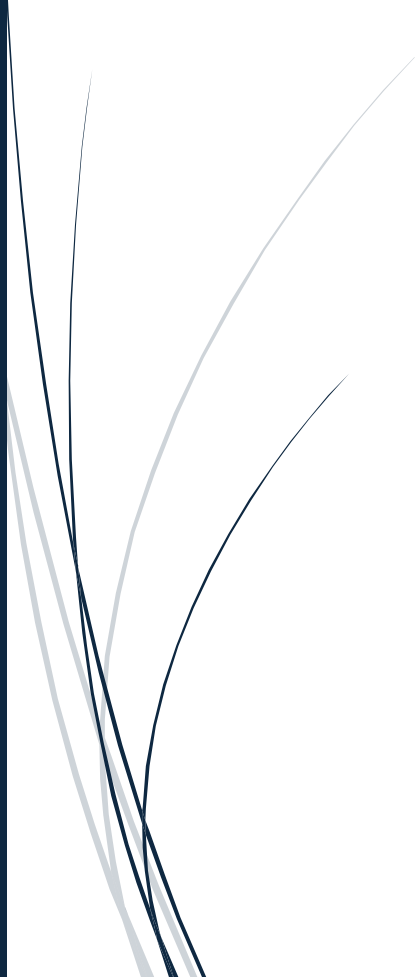




Terradace Holdings Limited

Tax Strategy



Introduction

We take our environmental, social, and corporate governance responsibilities very seriously. Our tax strategy enables the Group to fulfil those responsibilities in respect of all applicable business taxes.

The tax strategy applies to Terradace Holdings Limited, its worldwide subsidiaries and all officers, employees and third parties whose actions impact the management of Group tax affairs.

The principles of our tax strategy are as follows.

- We pay the correct amount of tax in accordance with the tax laws in all the territories in which we operate.
- Tax is considered in all significant business decisions, but we do not undertake any transactions for the sole purpose of realising tax savings.
- Intra group transactions are carried out on an arm's length basis reflecting the economic contribution of each group company.
- We work in a collaborative, open and transparent manner with the tax authorities and seek to achieve early agreement of our tax position.

Governance, risk management and compliance

Our Group Co-CEO is responsible for the Group Tax strategy, the effectiveness of tax risk management, tax processes and transparency of reporting disclosures. The strategy is implemented by the finance leadership team headed by the Group Finance Director. Compliance with the principles set out in the strategy is reviewed on an ongoing basis as part of the regular financial planning cycle.

The Group is subject to tax mainly in the UK, but also in other countries. The Group utilises expert qualified tax and trade compliance professionals who partner with the business and finance teams to manage the Group's tax risks in a controlled and proactive manner. All staff in the relevant teams have the necessary training to manage our tax position appropriately.

We have established and maintain appropriate tax accounting policies and compliance processes to ensure the integrity of our tax returns and timely and accurate tax payments in all countries in which we operate. Corporate income tax compliance is mainly outsourced, to third party service providers, whose performance is monitored and regularly assessed against key delivery targets. The Group will seek external advice where the tax treatment is uncertain or significant to the Group.

In the UK, our largest market, we adhere to the Senior Accounting Officer legislation, which requires our Group Co-CEO to confirm to HM Revenue & Customs on an annual basis whether our tax processes are appropriate.

Tax planning

The Group is committed to acting with integrity and transparency on all tax matters and complying fully with all applicable tax laws, having regard to international standards and guidance on tax practice and tax reporting.

The Group will only engage in responsible tax planning aligned with genuine commercial economic activities. We do not use tax structures or undertake artificial transactions, the sole purpose of which is to create a contrived tax result. For example, we do not participate in transactions with parties based in tax haven jurisdictions when the transactions are not in the ordinary course of Group trading business, or which could be perceived as artificially transferring value to low tax jurisdictions.

Dealings with HMRC and other Tax Authorities

The Group seeks to engage in open and constructive dialogue with HMRC in the UK and with tax authorities in all the territories in which we operate.

We strive to ensure that all tax filings are accurate and submitted on a timely basis. If we discover any inadvertent errors in tax returns or correspondence with tax authorities, we disclose them promptly.

Tax risk management

The Group has a low tolerance for tax risk and proactively engages with advisors to achieve certainty on our tax position. The Group's processes, policies and governance are designed to identify and mitigate material tax risks. The complex and ever-changing international tax environment, national regulatory developments and changes in the way we do business mean that there is always an element of tax risk and uncertainty inherent in the Group's operations. To this end, we have formalised our tax risk identification, measurement, monitoring and reporting processes to manage these risks and ensure appropriate mitigation steps are taken.

In common with many other multinational groups, our most significant source of uncertainty arises where two or more governments adopt different interpretations in

relation to transfer pricing arrangements and the tax treatment of intragroup, cross border transactions. Our Transfer Pricing policy has been developed in line with OECD guidelines on application of the arm's length principles and domestic laws. Our approach provides an appropriate return to each entity in the Group, commensurate with the economic activity, assets and business risk assumed by that entity. While we operate a consistent global model for transfer pricing of goods and services, governments may adopt different and sometimes contradictory positions in relation to the same transaction or arrangement. We aim to seek assurance and resolution of any disputed transaction or arrangement through appropriate domestic or international dispute resolution procedures. Where appropriate we would seek assurance through advance pricing agreements.

Our approach to tax has been published in accordance with paragraph 16(2), Schedule 19 of the Finance Act 2016, and applies to all UK taxes and sets out the Group's approach to taxation for our accounting period ended 30 September 2027.

The Tax Strategy is reviewed annually and updated as appropriate.