



Ryobi Aluminium Castings (UK) Limited TAX STRATEGY

Ryobi Aluminium Castings (UK) Limited (RAC) is committed to acting with integrity and transparency in all tax matters, complying fully with both the spirit and the letter of all tax legislation. Accordingly, RAC adopts the following five principles:

1. Compliance with all tax legislation at all times.
2. Non- use of any tax avoidance schemes or aggressive tax planning.
3. Engagement in a full and a transparent cooperative manner with HMRC and other Government Bodies in the resolution of disputes
4. Adoption of a conservative approach in relation to tax risk management
5. Acceptance of a low level of risk in relation to taxation

Compliance for the Company means paying the correct amount of tax at the right time and disclosing all the relevant facts and circumstances to the tax authorities and claiming reliefs and incentives where applicable.

To support and assist RAC in adhering to these five principles the Company seeks advice from one of the large accountancy firms.

Tax compliance and governance is part of the Finance function within the Company and is the ultimate responsibility of The Board of Directors. Under its Corporate Governance structure, the Company employs suitably qualified staff in key roles in the management of its tax obligations.

The Company does not use any artificial tax avoidance scheme nor does it use any tax havens to reduce its tax liabilities.

RAC is transparent in its communications with HMRC and maintains a strong working relationship with them. In conjunction with its advisers, tax issues are updated and reviewed regularly on an on-going basis.

The nature and scale of the business together with the volume of tax obligations means, that risks will inevitably arise from time to time in relation to the interpretation of tax law and the nature of Company's compliance requirements. The Company actively seeks to identify evaluate monitor and manage these risks to ensure they remain in line with the Group's risk strategy. In cases where there is significant uncertainty or complexity external advice is sought.

RAC has invested heavily in plant and machinery in recent years and the availability of Capital Allowances has meant the payment of Corporation Tax has been delayed to future years whilst it continues to invest further in Capital Equipment.

The Company regards this publication as compliance with the obligations under paragraph 22(2) and paragraph 23(4), Schedule 19 FA 16.