

Encirc Limited Tax Policy

For the financial year ending 31 December 2024

Introduction and overview

The aim of the Encirc Limited tax policy document (hereinafter referred to as "Encirc", and/or "the company"), is to set out the standards the Board of Directors applies in managing its taxes and the governance framework it employs to ensure those standards are embedded throughout Encirc and its subsidiaries ("the Group"). Our intention is to be flexible and responsive to changes.

We regard that our approach to tax has been published in accordance with paragraph 19(2), Schedule 19 of the Finance Act 2016.

Taxes covered by the policy

This should cover not only corporation tax, income tax and Value Added Tax (VAT), but should also include other direct, indirect and overseas taxes which impact the Group.

Appetite for risk in relation to tax and core principals

- We comply with all applicable tax laws in every jurisdiction we operate in, and, where the spirit of the law is clear, we comply with both the letter and spirit of the law;
- We conduct our dealings with tax authorities with honesty, integrity, respect and fairness and in a spirit of co-operative compliance;
- We avoid any actions (or omissions) in respect of our management of taxes which could damage the Group's reputation with its key stakeholders. Where the expectations of those stakeholders conflict we seek to ensure that they are balanced responsibly;
- Any significant tax risks will be identified, communicated and controlled and the tax perspective will feature in all significant business decisions.

Tax Compliance

- Encirc is committed to observing all applicable laws, rules and regulations in meeting the Group's tax compliance and reporting responsibilities;
- It is our aim to file tax returns on time in a professional and diligent manner;
- We confirm that all Intercompany transactions are on an arms-length basis;
- Encirc Limited has identified Her Majesty's Revenue Commissioners (HMRC), as the main party to which it reports and pays taxes to in Great Britain & Northern Ireland; in addition to the Office of the Revenue Commissioners in the Republic of Ireland for taxable activities in that jurisdiction;
- Encirc Distribution Limited, a wholly owned subsidiary of Encirc Limited has identified the Office of the Revenue Commissioners, in the Republic of Ireland as the main collector of taxes on its behalf.

Tax Planning

- The Encirc tax strategy is aligned with the business strategy and tax planning opportunities are evaluated within clear risk parameters;
- Due to the operations of our business and volume of tax obligations, certain risks may periodically arise from time to time in relation to the interpretation of local and international tax law and nature of our compliance arrangements. Our approach will be to actively seek to identify, evaluate, monitor and manage these risks to ensure they remain in line with our objectives;
- Where uncertainty or complex matters arise, which are outside day to day compliance activity, external advice may be sought, particularly in relation to our international tax obligations.

Tax risk Management

Encirc aims to ensure that all staff with tax responsibilities, or whose business activities may have a tax impact, have an understanding of how risk is identified, assessed, reported and managed.

Our Staff

- Encirc is dependent upon having a motivated workforce who act ethically and honestly when carrying out their duties;
- Encirc have identified particular tax risk areas and clear guidance has been provided to staff so that one off and unusual decisions are identified and addressed e.g., on how a particular expense should be treated and is answered by the correct person at the correct time;
- Encirc ensures that identified staff are supported and trained in all areas of tax matters to provide them with the skills and expertise required to carry out their role. Encirc have developed procedures to ensure we have skilled personnel at all times who can manage situations where personal are absent due to illness.

Document retention

We remain in compliance with legislative requirements and industry regulations, but also we possess sufficient data backups necessary for recovery if needed.

Updating and implementation of the policy

A review of this tax policy document will be undertaken annually to ensure the policy still:

- remains consistent with day to day practices;
- that it is being effectively communicated to staff; and
- complies with the Board approval and decisions

Governance and oversight

- Responsibility for tax management and administration and the delivery of our core principles in respect of compliance rests with the Encirc Finance Team;
- The tax policy has been reviewed and approved by the Senior Accounting Officer.