



## **Euro Alloys Group Tax Strategy**

This document, approved by the board of Euro Alloys Limited, sets out Euro Alloys Group's approach to conducting its tax affairs and dealing with tax risks for the year ending 30 September 2020. Euro Alloys Group is defined as Euro Alloys Limited and Altro Metals Limited.

Euro Alloys Group is committed to:

- Following all applicable laws and regulations relating to its tax activities.
- Maintaining an open and honest relationship with the tax authorities based on collaboration and integrity.
- Ensuring that the tax strategy adopted is consistent with the Group's overall strategy
- Applying diligence and care in our management of tax risks, and ensuring that our tax governance is appropriate.
- Using incentives and reliefs to minimise the tax cost of conducting our business while ensuring that these reliefs are not used for purposes which are knowingly contradictory to the intent of the legislation.

### **Risk management**

Attempting to avoid all tax risk would result in an overly prudent position which is not in line with our objective to maximise shareholder value. The Group's appetite for risk is therefore governed by the 'more likely than not' principle, which considers the outcomes of different approaches to tax planning, and assesses the likelihood of each occurring.

Tax risks are assessed on a case by case basis, allowing the Group to arrive at well-reasoned conclusions on how each individual risk should be managed. Where there is uncertainty in how the relevant tax law should be applied, external advice may be sought to support the Group's decision making process.

When reviewing the tax risks associated with a specific decision or action, the Group ensures that the following are considered:

- The legal and fiduciary duties of directors and employees.
- The requirements of any related internal policies or procedures.
- The maintenance of the Group's corporate reputation.
- The wider consequences of potential disagreement with tax authorities, and any possible impact on relationships with them.

### **Tax planning**

The Group has clearly defined lines of responsibility for its tax affairs.



The Group's tax planning is driven by the commercial needs of the business, and anticipated future developments. Where alternative routes exist to achieve the same commercial results, the most tax efficient approach in compliance with all relevant laws will be followed.

The commercial needs of the business will in no circumstances override compliance with all applicable laws and regulation. The Finance Director is involved in decision making and provides appropriate input into business proposals to ensure a clear understanding of the tax consequences of any decisions made.

In cases where the tax guidance is unclear or the Group does not feel it has the necessary expert knowledge to assess the tax consequences adequately, external advice may be sought to support the Group's decision making process.

### **Approach towards dealings with HMRC**

The Group is committed to the principles of openness and transparency in its approach to dealing with HMRC, and in particular the Group commits to:

- Adopt open and collaborative professional relationships at all times with HMRC.
- Engage in full, open and early dialogue with HMRC to discuss tax planning, strategy, risks and significant transactions.
- Make fair, accurate and timely disclosure in correspondence and returns, and respond to queries and information requests in a timely fashion.
- Seek to resolve issues with HMRC in real time and before returns are filed if possible, and where disagreements arise work with HMRC to resolve issues by agreement where possible.
- Be open and transparent about decision-making, governance and tax planning.
- Interpret the relevant laws in a reasonable way, and ensure transactions are structured consistently with a co-operative relationship.

This tax strategy is published in accordance with paragraph 16(2), Schedule 19 Finance Act 2016