

Renewi plc— Tax Strategy

BACKGROUND

Integrity is at the heart of our core value of Accountability, something that very much applies to our strategy with respect to taxes. We commit to being open, honest and doing the right thing. Our core ethical principles guide the way that we make decisions.

This tax strategy document is referred to in the Group's Code of Conduct in which all employees are also given clear requirements to consult senior management in the event of any uncertainty about a tax issue. Also included in the Code of Conduct is the Corporate Criminal Offence for failure to prevent the facilitation of tax evasion in which it is stated that we do not do any business with customers, suppliers or other business partners if we know or have reason to think that they may be involved in tax evasion.

The principles in this document relate specifically to UK taxation but are applied across the Group.

SCOPE

The document has been approved by the Board and Audit Committee and applies to Renewi plc and all UK entities in its Group as at the date of publication. This document will be reviewed periodically and annually as a minimum.

The Group regards publication as complying with the duty under Part 2, Schedule 19, Finance Act 2016.

APPROACH TO BUSINESS TAX

The Group has several guiding principles with respect to business tax:

- To pay the right amount of tax in the right place at the right time.
- To comply with the relevant laws, rules, regulations and reporting and disclosure requirements. This includes ensuring that tax is embedded throughout the business with adequate communication and disclosure of relevant facts to HMRC.
- To support the execution of the business strategy by applying a consistent approach to tax in line with core values. Our tax positions will be driven by our commercial priorities which include improving operational activities, increasing efficiency and transparency as well as a continued focus on sustainability.
- Apply professional care in the management of risks associated with tax matters.
- Build and maintain strong and collaborative relationships with tax authorities.
- Where available we use appropriate incentives set out in the tax legislation to minimise the costs of conducting business.

OVERVIEW OF INTERNAL GOVERNANCE

Tax is the ultimate responsibility of the CFO who sits on the Renewi plc Board. The CFO is also the Senior Accounting Officer for UK tax affairs.

There are at least three meetings of the Audit Committee every year. The CFO, the Group Financial Controller and Group Tax Manager normally attend these meetings and a tax paper is submitted to each meeting covering updates on tax risks and developments. Moreover, tax is a subject that is considered by the Board regularly and appropriate updates are included in the monthly CFO report.

Day to day matters are delegated to the Group Tax Manager and the Group Financial Controller – who hold qualifications and experience appropriate to their roles. The CFO, Group Financial Controller and Group Tax Manager hold regular meetings with a variety of external tax professionals.

The principal objective of these meetings is to ensure that the Group complies with best practice and to facilitate awareness of all material legislation affecting the Group.

Controls are in place to ensure that the correct amount of taxes are identified and paid.

APPROACH TO RISK MANAGEMENT

There is a standing item on the agenda of all Audit Committee meetings to provide any updates on tax risks and developments.

The key controls which must be put in place by each division of the business are included in the Group Control Manual which includes sections on both direct and indirect taxes. Internal control procedures and processes are subject to regular reviews and tested by the Internal Audit function at appropriate intervals.

In respect of UK taxes, tax control matrices are in place covering Corporation Tax, VAT and PAYE.

To provide an additional level of review and governance, UK tax returns are prepared by external tax professionals from information provided by the UK finance team.

External advice is taken when there is any significant doubt or judgement decisions with respect to the application of facts to tax legislation.

To safeguard the independence of the external auditor, and to avoid conflicts of interest, the Company will not use the external auditor for tax advisory services.

ATTITUDE TO TAX PLANNING

As well as our operations in the UK, the Group has operations in overseas locations, primarily the Netherlands and Belgium.

The Group has a responsibility to its shareholders to deliver value but will only plan for tax matters that are aligned with commercial or economic activity.

Tax will be paid in jurisdictions where commercial activities take place and the Group will not undertake planning to artificially record taxable profits in non-commercial jurisdictions.

The Group will seek to provide full details of business activities and request HMRC's view on transactions where there is uncertainty with regard to the application of the legislation.

At all times the Group seeks to comply fully with regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen.

RELATIONSHIP WITH HMRC

The Group has a desire to maintain a strong collaborative working relationship with HMRC. This is normally facilitated by at least an annual in-person meeting with the HMRC Customer Compliance Manager along with regular updates. The intention is for this regular dialogue between the Group Tax Manager and our HMRC Customer Compliance Manager to enable areas of disagreement or points of interpretation to be resolved on a timely basis. The Group will continue to strengthen and deepen our working relationships with HMRC to allow for clarity and predictability in our tax affairs.

The Group will always seek HMRC's view on any material uncertain tax positions.

