

Eco-Bat Technologies UK Tax Strategy¹

Introduction

Eco-Bat Technologies Ltd (“Eco-Bat”) is the global leader in the production of lead, lead alloys and other products from recycled batteries and mines for supply to the battery, mining and other industries. It has significant collection, recycling and production capacity through over 30 operations in Europe, the US and Africa. The Eco-Bat group is highly focused on setting and achieving the highest standards for Health, Safety and the Environment for its employees, neighbours and industries.

Eco-Bat itself is a UK company and this tax strategy relates to all UK companies within the Eco-Bat group and covers all UK taxes.

1. Our approach to tax risk management and governance

Identification, mitigation and management of risks are central to our strategy, and our enterprise-wide risk management processes are designed to effectively manage risk.

The Board sets and oversees the risk management strategy and its effectiveness as part of the Group’s internal control framework. We continuously identify and manage those risks and opportunities that could affect the achievement of our business plans and strategic objectives, our shareholder value and our reputation, through our risk management process.

Tax risk arises due to the complexity of tax legislation and potential differences in interpretation. We continue to implement policies and processes to ensure the integrity of our tax filings and other developing tax compliance obligations in the UK and worldwide and our tax processes are subject to the same level of internal controls and review as the rest of the business, in addition to external and internal audits.

2. Our attitude towards tax planning

We do not use artificial arrangements or adopt aggressive tax planning strategies. We consider the most efficient way to complete transactions including the taxation aspects. We seek to balance shareholders’ interests with ensuring that any arrangements comply with current tax legislation and the need for underlying commercial substance.

Intercompany transactions are conducted on arm’s length principles, in accordance with OECD guidelines. Eco-Bat maintains a Transfer Pricing Master File to support cross-border charges between Eco-Bat entities.

3. The level of tax risk we are prepared to accept

We have a low appetite for tax risk and we ensure such risks are effectively managed through appropriate controls and governance practices.

Tax risk is considered as part of our broader enterprise-wide risk management processes which is overseen by the Board. We rely on our specialist tax consultants to assist us identify changes to

¹ The purpose of this statement is to satisfy the UK legislative requirements of paragraph 19(2) Schedule 19 Finance Act 2016 in relation to the publication of tax strategy insofar as it affects our UK group applicable to financial year ending 31 December 2018.

UK tax legislation that might affect our business and require changes to tax related processes to ensure compliance. For major, complex transactions such as acquisitions or disposals of businesses, we seek expert advice, including taxation aspects for such dealings, to ensure that significant tax implications and risks are understood.

Our policies and governance framework operate to aim to ensure compliance with tax laws and regulations, both in the UK and worldwide, and to ensure that we identify and mitigate significant tax risks.

Where uncertainty exists, we seek appropriate external advice and/or engage directly with HMRC.

The effectiveness of risk mitigation, including tax risk, is monitored by the Audit Committee which reports to the Board.

4. Our approach to dealings with HMRC

We seek to ensure that our engagement with HMRC is professional, transparent and honest, and undertaken in a spirit of cooperation. We aim to respond to information requests in a timely manner and ensure that access is given to all relevant information. We aim to develop and maintain a good and open bilateral relationship with HMRC.