

## British Steel Group Tax Strategy

**For the Financial Year ending 31 December 2023.**

*This strategy specifically applies to Jingye Steel (UK) Holding Limited, a UK registered Company and all UK entities in the Jingye Steel UK Holdings Limited Group ("BSL Group"), including its main UK operating entity, British Steel Ltd. This BSL Group Tax Strategy is published in compliance with paragraph 19(2) of Schedule 19 to the Finance Act 2016.*

References to 'UK Taxation' are to the taxes and duties set out in paragraph 15(1) of the Schedule which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, Stamp Duty Reserve Tax, Stamp Duty Land Tax and Customs and Excise Duties. References to 'tax', 'taxes' or 'taxation' are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which entities have legal responsibilities.

BSL Group is committed to complying with tax law and practice in all countries in which we operate, including the UK. We aim to pay the right amount of tax at the right time, on the profits we make in the territories where the underlying value has been created. We aim to comply with the spirit as well as the letter of the law.

### Approach to tax risk management and governance

We employ a team of appropriately qualified and trained tax professionals (BSL Group Taxation) with the right level of expertise who work closely with the business to provide advice and guidance to ensure compliance with tax laws and practice. British Steel Group Taxation seeks to manage the BSL Group's tax position pro-actively, including minimising the tax costs of conducting business activities in all applicable territories by claiming relevant reliefs and incentives in accordance with the relevant legislation.

Significant areas of tax risk are communicated by BSL Group Taxation to the Board of Directors of the relevant BSL Group entity. Where appropriate, tax policies and guidance are issued to influence organisational behaviours to minimise risks based on the recommendations of BSL Group Taxation. Risk management processes are then implemented to ensure that the policies are properly followed including training relevant personnel as appropriate and periodical refreshment of policies in line with emerging tax laws and practice.

### Attitude to tax planning and level of acceptable tax risk

All tax planning is undertaken within the context of a wider business purpose or commercial rationale and will have regard to the potential impact on our reputation, broader goals and British Steel core values of unity, integrity, responsibility, understanding and excellence. The level of risk BSL Group accepts in relation to UK taxation is low. At all times the BSL Group seeks to comply with the relevant domestic regulations and reporting requirements. Furthermore, the BSL Group will not undertake planning which is contrived or artificial and is not derived from a commercial requirement.

Given the scale of our business, global footprint and volume of tax obligations, risks may arise from time to time in relation to the interpretation of tax law and nature of our compliance arrangements. Diligent professional care and judgement will be employed to assess tax risks in order to arrive at well-reasoned conclusions on how the risks should be managed. Where there is uncertainty as to the application or interpretation of tax law, appropriate advice may be sought from third parties to support the decision-making process.

### Approach of group towards dealings with tax authorities

We seek to foster constructive, professional and transparent relationships with tax authorities, including His Majesty's Revenue and Customs ("HMRC"), based on the concepts of integrity, fairness, co-operation and mutual trust. We engage in full, open and early dialogue with tax authorities to discuss tax planning, strategy, risks and significant transactions. With the objective of minimising tax risk wherever possible we seek to resolve issues with HMRC on a real time basis and in the event that disagreements arise, we would strive to work with the tax authorities to resolve any disputed matters through pro-active and transparent discussion and negotiation. We aim to obtain advance agreements or clearances where possible and litigation would only be considered as a last resort.

This Strategy is aligned with our core values and is approved, owned and overseen by the Jingye Steel (UK) Holding Limited Board of Directors.

**Approved by the Jingye Steel (UK) Holding Limited Board of Directors on 16 August 2023**