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DEREK RAPHAEL (HOLDINGS) LIMITED

GROUP UK TAX STRATEGY – For the financial year ending 31 December 2026

Introduction

This UK tax strategy is published by Derek Raphael (Holdings) Limited as the head of the UK group, on behalf of itself and its UK subsidiary undertakings, the "Group".

This strategy applies to the Group's approach to UK taxation for the financial year ending 31 December 2026. The Group's principal activities comprise the trading of ferro alloys, metals, ores, minerals and steel, together with property investment and development.

The Group regards the publication of this strategy as complying with its duty under paragraph 16(2) of Schedule 19 Finance Act 2016 to publish a UK tax strategy in respect of the current financial year.

The Board of Directors of Derek Raphael (Holdings) Limited has reviewed and approved this strategy. The Group will review and, where required, publish its UK tax strategy annually.

The Group is committed to complying with its UK tax obligations and paying the right amount of tax at the right time. The Group seeks to manage its tax affairs in a responsible, transparent and commercially appropriate manner, consistent with applicable UK tax legislation and, where relevant, HMRC guidance.

Our approach to tax governance

The Board has overall responsibility for tax governance and for setting the Group's approach to tax risk. The Board's objective is to ensure that the Group complies with its tax obligations and does not enter into arrangements that could give rise to unacceptable tax, commercial or reputational risk.

Day-to-day responsibility for the Group's finance and tax matters sits with the Senior Accounting Officer, supported by the Group's finance team and external professional advisers. Given the size and structure of the Group, tax matters are managed through regular communication between the directors, finance personnel and external advisers.

The Board and senior management consider tax matters as part of their review of significant business decisions, including acquisitions, disposals, property transactions, development projects, financing arrangements, major contracts and other transactions where tax may be relevant.

The Group engages external professional advisers to assist with tax compliance, tax reporting and technical tax matters. External advice is sought where matters are complex, material, uncertain, outside the ordinary course of business, or where the Group considers that specialist input is required

Our approach to tax risk management

The Group seeks to manage tax risk through internal review processes, regular communication between the finance team, senior management and external advisers, and escalation of significant matters to the Board where appropriate.

Tax risks may arise from the scale and nature of the Group's activities, changes in tax legislation, business growth, property transactions, development activity, financing arrangements, trading activities and the interpretation of complex tax rules.

The Group's approach is to identify potential tax risks at an early stage and to ensure that appropriate advice and review are obtained before material tax positions are finalised.

The Group's tax compliance processes include the preparation and review of relevant tax filings and payments, including Corporation Tax, VAT, employment tax filings and other tax filings, duties or obligations relevant to the Group's business activities. The Group uses external professional advisers to support these processes where appropriate.

Tax risks are assessed by reference to factors such as the amount of tax at stake, technical complexity, the level of uncertainty, potential interest and penalty exposure, reputational impact, financial reporting impact, and consistency with the commercial substance of the relevant transaction.

The Group's policy is to comply with current tax legislation and to ensure that tax risks are appropriately considered as part of normal business and financial decision-making processes.

Our attitude towards tax planning

The Group's tax planning is aligned with its commercial activities and business objectives. Tax is considered as part of commercial decision-making, but the Group does not undertake tax planning that is artificial, contrived, or inconsistent with the purpose and intention of UK tax legislation.

The Group does not enter into marketed tax avoidance schemes or arrangements where the main purpose, or one of the main purposes, is to secure a tax advantage in a manner that is inconsistent with the commercial substance of the transaction or the intention of the law.

The Group may seek to utilise available tax reliefs, allowances and exemptions where these are properly available, consistent with the relevant legislation, and supported by the commercial substance of the relevant transaction.

External tax advice is obtained where the Group considers it appropriate, including in relation to complex transactions, areas of uncertainty, significant changes in law, or other matters requiring specialist technical input.

Level of tax risk accepted

The Group seeks to maintain a low level of tax risk. However, given the size and nature of the business, tax risks may arise from time to time, particularly where tax law is complex, unclear or open to interpretation.

Material tax matters are considered by reference to the commercial context, the amount of tax at stake, the level of technical uncertainty, the likelihood of HMRC challenge, potential interest and penalties, and any wider commercial or reputational implications.

The Group will only adopt tax positions that it considers to be properly supportable. Where a matter is material, complex or uncertain, the Group will seek appropriate advice and will consider whether the position should be escalated to senior management or the Board.

Where UK tax law is unclear or open to interpretation, the Group will seek to adopt a reasonable and supportable position, taking account of the legislation, relevant guidance, case law and external advice where appropriate.

Our approach towards HMRC

The Group seeks to maintain an open, transparent and cooperative relationship with HMRC.

The Group's relationship with HMRC is managed through direct communication with HMRC and, where appropriate, through the Group's external advisers and tax agents.

The Group is committed to meeting its compliance obligations in a timely and accurate manner. This includes filing returns, making tax payments, responding to HMRC enquiries, and maintaining records to support the Group's tax positions.

Where errors are identified, the Group will seek to correct them promptly, make any required disclosures to HMRC, and take appropriate steps to reduce the likelihood of recurrence.

Where HMRC raises queries or requests information, the Group aims to respond in a timely, professional and cooperative manner, with support from external advisers where appropriate.

The Group will consider seeking advance clearance, non-statutory clearance, or early engagement with HMRC where this is available and appropriate, particularly in relation to material, complex or uncertain transactions.