

VDM Metals UK Limited

Tax Strategy Statement (United Kingdom)

In compliance with Schedule 19 of the UK Finance Act 2016, VDM Metals UK Limited (“VDM UK”) is publishing its tax strategy for the fiscal year ended September 30, 2018.

This document, approved by the board of VDM Metals UK Limited, sets out our approach to conducting our tax affairs and dealing with tax risks from the date of publication until it is superseded.

Tax risk management and governance

VDM UK aims to comply with all relevant laws, rules, regulations, and reporting and disclosure requirements within the UK.

In conjunction with the VDM UK’s tax advisers, identified tax risks are assessed on a case by case basis, allowing the company to arrive at well-reasoned conclusions on how each individual risk should be managed. VDM UK relies on its tax advisers and corporate group, head of tax for guidance and support in the company’s decision-making process.

VDM UK applies professional diligence and care in the management of all risks associated with tax matters, and ensures governance and assurance procedures are appropriate.

Tax planning and acceptable tax risk

Our approach to tax planning is to develop tax-efficient solutions that are aligned with commercial initiatives. The company has a low tolerance for tax risk and strives for certainty in its financial reporting obligations including tax reporting. VDM UK validates all significant tax positions with external advisors and the corporate group, head of tax.

VDM UK will use incentives and reliefs to minimise the tax costs of conducting its business activities, but will not use them for purposes which are knowingly contradictory to the intent of the legislation. VDM UK will not participate in any tax arrangements that could negatively impact our reputation, brand, corporate and social responsibilities, or future working relationships with HMRC.

Relationship with HMRC

VDM UK engages with HMRC openly and constructively. We engage with HMRC either directly or through our tax consults. We endeavor to work collaboratively with HMRC to address inquiries and resolve any differences of opinion on the interpretation or application of tax law to our facts in an honest, ethical and transparent manner.