

## **MET Commodities London Limited - UK Tax Strategy**

### **Introduction**

MET Commodities London Limited is part of the MET Group. MET Group comprises a group of companies focussing on multi-commodity wholesale, trading and sales, as well as energy infrastructure and industrial assets. The Group is headquartered in Switzerland, and is represented across 15 European countries.

MET Group's mission is to become a leading market player by implementing innovation in the traditional European energy market.

Our international business activities incur a substantial amount and variety of taxes, including corporate income taxes, stamp taxes, business rates and, in the UK, employer's national insurance. In addition, we collect and pay employment taxes and indirect taxes such as VAT.

This tax policy satisfies paragraph 19 of schedule 19 to the UK Finance Act 2016. The tax policy has been published in accordance with paragraph 16(2). This strategy applies from the date of publication until it is superseded.

### **Managing tax risks**

The Group's tax policies are set by the directors together with the Group Chief Accountant in accordance with the Group's overall commercial and risk appetite. These are reviewed and approved annually. The key roles involved in managing the tax risks are the MET Commodities Controller - who reports to the Group Chief Financial Officer and Chief Executive Officer who are ultimately responsible for setting and implementing tax policies.

Tax risk can arise due to the complexity of the tax legislation, potential differences in interpretation, and in relation to the business' operating model. In order to manage this, management approved policies and processes have been established to ensure the integrity of our tax filings and other tax compliance obligations in the UK and worldwide. Our tax processes are subject to the same level of internal controls, review and external audit as the rest of the business.

## **Tax Planning**

With the complexity of tax legislation increasing - especially for businesses which operate in multiple jurisdictions - with the introduction and implementation of the Actions of the OECD's "Base Erosion & Profit Shifting" project ("BEPS"), there is an increased risk for all businesses of non-compliance with new legislation.

In order to ensure we fully comply with new and existing tax legislation, we occasionally seek external tax advice to help us correctly interpret new technical and complex laws as well as confirming that we are complying with all relevant statutes.

We make operating decisions purely on a commercial basis and only after this consider how these transactions can be implemented in a way which maximises shareholder value whilst adhering to the Group's overall low-risk tax policies. We sometimes seek external views, especially with complex transactions as to whether our interpretation of legislation is correct, or if there are other considerations which will help increase shareholder value whilst achieving our commercial aims in a low-risk manner.

## **Level of Acceptable Tax Risks**

We have board-led internal tax policies throughout the business which detail the business' low-risk approach to tax. This is rigid, and does not change depending on the situation. This is partly influenced by our stakeholders who demand that the business maintain a reasonable approach to tax and does not take undue risks in an attempt to increase profitability.

## **Working with HMRC**

We seek to ensure that our engagement with HMRC is professional, open 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. Where considered appropriate, we would be prepared to litigate on matters where agreement cannot be reached through discussion, although we would consider the potential impact on our reputation and on our working relationship with HMRC before doing so.

Published on 31 December 2022