Impala Terminals Infrastructure UK Ltd

UK Tax Strategy

1. Introduction

Impala Terminals Group ("ITG") owns and operates a globally diversified portfolio of strategically located storage infrastructure assets capturing long-term trade flows of essential commodities (liquid and dry balk), delivering also associated services. ITG is a joint venture between Trafigura and IFM Investors.

This document ("UK Tax Strategy") is published on behalf of ITG´s UK subsidiary[1] – Impala Terminals Infrastructure UK Ltd. ("ITG UK") in accordance with Section 161 and Schedule 19 of the UK Finance (No.2) Act 2016.

The UK Tax Strategy is reviewed and updated annually as needed by the ITG´s tax department ("Impala Tax") and approved by the Chief Financial Officer ("CFO") and the Board of Directors of ITG UK. This document will remain in force from the date of publication until superseded.

References to 'taxation' are to the taxes and duties which include Corporation Tax, payroll and employment taxes, national insurance and social security contribution, Value Added Tax, Customs & Excise, Stamp Duty, Land Tax. References to 'tax', 'taxes', or 'taxation' are to all corresponding UK taxes and similar duties in respect of ITG UK.

2. Approach to risk management and governance arrangements in relation to taxation

Impala Tax is led by the Head of Tax, who reports directly to the CFO. The CFO, by delegation from the Board of Directors of ITG, is responsible for ITG UK tax strategy (in collaboration with human resources team as regards payroll and employment taxes, national insurance and social security contributions). They key tax issues are reviewed annually by the Audit & Risk Sub Committee. The Impala Head of Tax has, and all new recruits will have, appropriate professional qualifications and experience commensurate with the responsibilities required for their role. Tax advice or support may be sought from external advisors on a case-by-case basis, where there is uncertainty as to how the relevant law should be applied and depending on other factors such as materiality.

a) <u>Compliance with laws, rules and regulations</u>

ITG UK is committed to complying with all applicable laws, rules, regulations, and reporting and disclosure requirements, wherever there is a requirement to do so as a result of ITG UK's business presence and transactions. ITG UK believes that it should pay the amounts of tax legally due, and at the time at which it is legally due. ITG UK will use its best judgement in determining whether it is

[1] Impala Terminals Infrastructure UK Ltd has a non-controlling stake in INB Terminals Infrastructure (NI) Ltd, thus not part of the group and not in scope.

appropriate to use available reliefs and incentives, as provided by the relevant tax laws.

ITG UK aims to file all relevant tax returns in all countries in accordance with prudent and established tax return filing positions. It will form strong tax technical positions, and it will fully understand the business, commercial and regulatory context of transactions.

Related party transactions must comply with the arm's length principle as defined in the Organisation for Economic Co-operation and Development ("OECD") Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations and included in Article 9 of the OECD Model Tax Convention.

ITG UK does not tolerate tax evasion of any kind, including facilitation of tax evasion by any person employed or contracted to ITG UK or acting on ITG UK´s behalf. ITG UK would never accept being complicit in facilitating a third party to evade taxes in any jurisdiction. ITG UK is committed to adopt procedures which seek to prevent any such facilitation.

b) Consistency with ITG UK´s business strategy

Tax decisions will always be made in a manner which is consistent with and complements ITG UK's overall business and commercial strategy. Impala Tax will partner with the businesses to ensure there that consistency. Key business decision makers should be made aware of the tax consequences of such decisions on a timely basis.

c) Governance, Assurance and Tax Risk Management

Responsibility and accountability for ITG UK's tax affairs is clearly defined, and decisions will be taken at an appropriate level. The CFO and the Head of Tax are responsible for implementing the UK Tax Strategy and for ensuring that it is adhered to, and that there is alignment with ITG UK's overall approach to corporate governance and risk management. 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.

3. Attitude towards tax planning

ITG UK has a responsibility to pay its appropriate share of tax, while balancing its responsibilities to its shareholders, which include structuring its business in a tax efficient manner (while respecting all applicable laws).

Where alternative choices exist to achieve the same commercial result the most tax efficient approach in compliance with all relevant laws is likely to be considered. However, ITG UK will always strive to fulfill its primary objective of paying the correct amount of tax at the right time from a legal perspective and maintaining its solid reputation with HM Revenue & Customs ("HMRC"), and wider ITG UK´s reputation and social responsibility.

4. Level of risk in relation to taxation that ITG UK is prepared to accept

ITG UK assumes a conservative approach to tax risk. It is understood that there is always some level of tax risk associated with doing business, frequent changes in tax laws and their interpretation by HMRC. In reviewing the tax risks the following will be considered:

- the legal and fiduciary duties of directors and employees;
- the requirements of the Trafigura Group Code of Business Conduct, Anti-Bribery and Corruption Policy, and Anti-Money Laundering Policy;
- the maintenance of the ITG UK's corporate reputation as a responsible taxpayer and relationship with HMRC;
- benefit of certainty to ensure stable cash flows to its shareholders.

5. Relationships with HMRC

ITG UK is committed to the principles of openness and transparency in its approach to dealing with HRMC. All dealings with HMRC will be conducted in a collaborative, courteous and timely manner. Where tax enquiries or audits are opened, ITG UK will adopt a proactive approach to the provision of information to reach prompt resolution of any matters under review, and to achieve certainty wherever possible. In the event of an error arising, ITG UK will seek to remedy disclose and proactively resolve it, as soon as reasonably practical.

ITG UK is committed to the framework for co-operative compliance as developed by the OECD and observed by HMRC.