

TAX STRATEGY.

EMRGROUP.COM

INTRODUCTION



The Ausurus Group ("The Group") is a **privately owned international group** that's operations consist of the recycling of high value commodities from a range of waste streams, such as end-of-life vehicles, durable consumer goods, industry, construction and demolition.

The Group is actively engaged in all stages of the recycling supply chain, including the acquisition, collection and processing of these waste streams and the distribution of recycling commodities to the Group's international customer base. A large proportion of the business is situated within the scrap metal sector with ownership of the European Metal Recycling subgroup. However, additional recycling of plastic waste streams also takes place within the wider group. Recycling is at the core of the business, minimising waste sent to landfill.

The Group directly incurs or collects and pays, over a wide variety of businesses, taxes across the countries in which it operates.

These include but are not limited to:

- Corporate income taxes
- Customs duties
- Employer taxes
- Employee income taxes and social security payments
- Indirect taxes, such as VAT
- Landfill taxes
- Business rates and property taxes

The contents of this report are reviewed annually. This report relates to the accounting period ended 31 December 2026.

The Group **works hard to ensure** it is compliant with the legislative requirements of, and therefore pay an appropriate amount of tax in, each jurisdiction within which it operates.

This is managed through both internal management of a tax function, but also with the additional resources of the wider Finance Team as well as external advisors.

The Group is proud to have been **awarded**

LOW RISK STATUS

by HMRC as part of its business risk review framework. This status demonstrates and evidences the effective application of the Group's Tax Strategy which it sets out within this report.

UK TAX RISK MANAGEMENT.

The Group has established and maintains **robust compliance** processes to ensure the accuracy of Group tax returns and timely taxation payments.

At Board level, the Group CFO is responsible for the Group's tax affairs. It is acknowledged that tax can often be complex. As such, the Group has invested in a UK tax function with Head of Tax, who oversees the day to day running of the Group's tax compliance processes, together with the wider UK Tax Team and suitably qualified members of the wider finance team. The Group seeks and obtains advisor support as required. Key tax documents and calculations are reviewed and approved at an appropriate level by either; Group Head of Tax, Director of Group Finances and/or the Group CFO. Particularly complex or material tax treatments are also reviewed by an external advisor prior to their finalisation in the relevant returns submitted to HMRC.

Key areas of tax risk for The Group exist where UK tax legislation changes or legislation and HMRC guidance may be unclear and subject to multiple interpretations. Part of the tax function's responsibility is to ensure that the Group is aware of and understands legislative changes, through the various technical sources made available to them.

External advice is obtained where legislative provisions are considered to be particularly complex or unclear.

Upon receipt of external or internal advice, the Group will then seek to consider the way in which internal processes, controls or systems need to be updated.



As a consequence of our UK headquarters, we seek within this report to outline the Group's approach in the following areas. Whilst obligations to share this approach relate to the UK reporting requirements, it is acknowledged that the same underlying principles sit behind the Group's approach to all global tax matters.

UK TAX PLANNING.

The Group's tax planning is driven by the **commercial and economic requirements** of the business.

Where a substantive transaction is proposed, the following factors will feed into the decision as to how to structure that transaction:

- Impact on the post-tax profits of The Group.
- Impact on The Group's cash flow.
- Reputational impact.

Tax incentives and exemptions implemented by the UK Government to support investment, employment and economic development are applied by The Group in the manner intended. The Group invests heavily in research and development and where possible obtains tax credits as permitted by local legislation.

The Group pays an appropriate amount of tax in each of the jurisdictions in which it operates, in line with the arm's length principle of transfer pricing. The location of the jurisdictions in which we operate and hold presence in are driven based on the locations of; raw materials and employee skill sets.

Any material tax planning opportunities will be considered by the Group CFO and, where appropriate, the Board.

External professional advice is sought where tax planning is considered to be large, complex or uncertain.

Full disclosure of any relevant planning undertaken by the Group will be made in line with legal disclosure requirements and criteria set out by HMRC. Any clearances sought from HMRC will be based on a full and accurate account of the relevant facts.



ACCEPTABLE LEVEL OF TAX RISK.

The Group's **overall aim** is to manage tax risk and safeguard shareholder value, within the framework of the legal requirements of each of the jurisdictions in which it operates.The Group considers itself to have a low appetite for tax risk.

RELATIONSHIP WITH HMRC

The Group continues to maintain an open, cooperative and professional relationship with HMRC in relation to its tax arrangements. It commits to provide complete and timely access to information requested by HMRC and, where disclosure of the Group's tax affairs to HMRC are required by law, full disclosures will be made.

The Group seeks to maintain healthy relationships with Tax Authorities to ensure the industry in which it operates is understood by HMRC, and seeks to engage through relevant consultations and tax bodies to ensure matters impacting the industry are taken into consideration as part of the Government's assessment of changes.

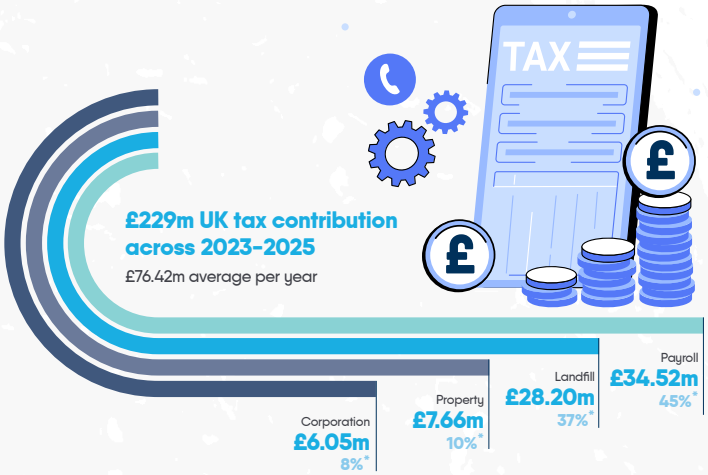


OUR 2026 UK TAX CONTRIBUTIONS.

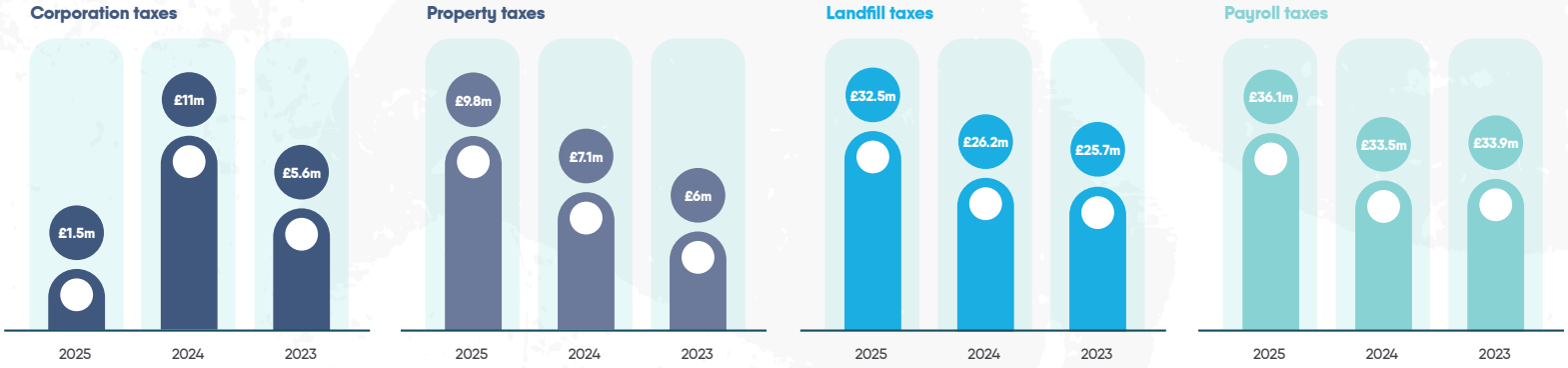
Total UK tax contribution includes:

- **Employment taxes** – Employee's Income Tax and NIC collected on behalf of the employee as well as Employer's NIC.
- **Environmental taxes** – Landfill tax paid on the disposal of waste sent to landfill.
- **Corporation taxes** – On business profits.
- **Property taxes** – Being business rates payable to local authorities.

In addition to these payments, the business collected £196m in VAT on sales to UK customers over the three year period. However, since the business is primarily an exporter of materials, it is in a net VAT repayable position and therefore VAT has been excluded from total tax.



THREE-YEAR UK TAX CONTRIBUTION BY TYPE



The purpose of this document is to fulfil The Group's UK requirements, as stated at Paragraph 16(2) Schedule 19 Finance (No. 2) Act 2016. The contents of this report are reviewed annually. This report relates to the accounting period ended 31 December 2026.

*Average taxes paid per annum / % total UK tax

TAX STRATEGY

EMR Group Limited Sirius House, Delta Crescent, Warrington WA5 7NS
Registered number 09123549 | **December 2026**

EMRGROUP.COM