



Rock Rail East Midlands SPC's

Tax Strategy 2023

Introduction

Rolling Stock Investment No1 Limited (UK registered company) and Hitachi Rail Limited (UK registered company) respectively own 58.68% and 41.32% of the shares of Rock Rail East Midlands (Holdings) 1 Limited ("HoldCo1", UK registered company). Holdco1 wholly owns Rock Rail East Midlands (Holdings) 2 Limited ("HoldCo2", UK registered company) and Holdco2 wholly owns Rock Rail East Midlands Plc ("ROSCO SPC", UK registered company). HoldCo1, HoldCo2, and ROSCO SPC are "East Midlands SPC".

This document is intended to outline East Midlands SPC's approach to managing its tax affairs and satisfies East Midlands SPC's reporting requirements, in line with Schedule 19 of the UK Finance Act 2016. This document will be updated regularly to reflect any changes to the company's tax strategy.

The group's basic tax policy seeks to ensure that:

- All tax compliance obligations are fulfilled.
- The group does not engage in any tax avoidance or contrived tax planning.
- The group is transparent in its tax affairs; and
- A trusted relationship with tax authorities is maintained.

Management of tax risks

Tax governance and risk management are the responsibility of the Board of Directors of each group company. The business uses professional tax advisors to support its tax compliance and ensure tax risks are mitigated appropriately.

Any proposed material changes to business operations or structure are subject to a risk review and approval process by the Board of Directors, which includes consideration of the tax implications.

Attitude to tax planning

In line with the group's basic tax policy, East Midlands SPC does not engage in tax avoidance, and any tax planning undertaken is done so with the primary objective of maintaining compliance with the relevant tax regulations of the jurisdictions involved, and with the assistance of professional tax advisors.

**Accepted level of risk**

East Midlands SPC aims to comply fully with UK tax regulations and has procedures in place to ensure that tax risks are minimised as far as is reasonably possible. Accordingly, East Midlands SPC uses professional tax advisors where relevant to assist in managing all aspects of its UK tax affairs.

Approach to working with HMRC

East Midlands SPC maintains an open and transparent relationship with HMRC, in line with the group's basic tax policy. East Midlands SPC aims to cooperate fully with any enquiries or other queries raised by HMRC.

This policy has been reviewed and approved by the Directors of East Midlands SPC.