



 **TRICON**

TAX STRATEGY

2025

In compliance with Schedule 19 of the Finance Act 2016, the Tricon Energy UK Limited (“Tricon”) is publishing their tax strategy for the year ended 31 December 2025 .

Tricon has a strong focus on corporate responsibility, and we see responsible administration and payment of taxation as a responsibility of our business.

Our overall tax strategy is to:

- Meet all legal requirements and to make all appropriate tax returns and tax payments.
- Seek to utilise available tax reliefs and incentives where available in a manner which is consistent with the government’s policy objectives.
- Consider the tax impact in major or complex business decisions, for example acquisitions.
- Operate in an environment where we consider tax in the context of our reputation and brand.
- Comply with appropriate tax risk processes, and ensure there is Board oversight into this compliance.



Our approach to risk management and governance arrangements

Tax risk is the risk that our tax reporting returns or liabilities are inaccurate or incomplete, potentially leading to under or over collection or payment of tax, exposing us to tax authority sanctions as well as potential damage to our reputation. We are subject to the following principal taxes:

- Corporation Tax on the profits of our business;
- Employer National Insurance Contributions on employment costs; and
- Value Added Tax (or its equivalent) on relevant goods and services.

We also facilitate the withholding and payment of Income Tax and National Insurance Contributions from employee remuneration.

We want our tax affairs to be transparent and compliant with tax legislation and recognise that managing tax compliance is increasingly complex. Our internal structure is set up to ensure:

- The Board of Directors understand the importance of tax compliance and how it is achieved.
- There is a constant dialogue between the Board and those individuals tasked with the operation of our finance function, regarding the way our business manages its tax risk.
- The business portrays a positive view towards tax compliance and the importance of meeting our obligations.
- We keep under review how we meet our tax obligations by seeking external tax advice where necessary.



Our attitude to tax planning

While we will run our business in a cost effective manner in line with our obligations to our shareholders, in terms of tax, we will only utilise legitimate tax reliefs for the purposes for which they were intended by Parliament. In cases where guidance is unclear or Tricon does not feel it has the necessary expert knowledge, external advice may be sought to support the decision making process.

We do not:

- Engage in aggressive tax planning;
- Seek to structure transactions in an artificial manner whereby results are inconsistent with the underlying economic consequences; or
- Promote tax avoidance or condone abusive tax practices which would contravene our ethics and culture or the law.

The level of tax risk that Tricon is prepared to accept

Tax risk is one of the commercial risks to which Tricon is exposed. The Group has a robust approach to management and governance to identify and mitigate inherent tax risk.

Management of tax risk aims to ensure that Tricon pays and collects the correct amount of tax and meets local reporting and disclosure requirements whilst meeting its business objectives.

We carefully manage the tax risks and costs inherent in every commercial transaction, in the same way as any other cost. Therefore, tax will follow the commercial outcomes, taking account of the need for tax efficiency and our understanding of the currently applicable laws and practice.

Where there is uncertainty surrounding the interpretation of tax laws, we will seek second opinions from external tax advisers, having established our own understanding of the position, and/or seek to resolve the uncertainty by dialogue with tax authorities.

We do not enter into artificial arrangements in order to avoid taxation or to defeat the stated purpose of the legislation.

Our attitude to tax planning

Tricon is committed to the principles of openness and transparency in its approach to dealing with HMRC, and in particular we commit to:

- Adopt open and collaborative professional relationships at all times with HMRC.
- Engage in full, open and early dialogue with HMRC to discuss tax planning, strategy, risks and significant transactions.
- Make fair, accurate and timely disclosure in correspondence and returns, and respond to queries and information requests in a timely fashion.
- Seek to resolve issues with HMRC in real time and before returns are filed if possible, and where disagreements arise work with HMRC to resolve issues by agreement where possible.
- Take a proactive approach and take appropriate action in the event we discover errors or omissions; disclosing to HMRC, implementing remediation as quickly as is reasonably achievable and putting in place measures and controls to prevent recurrence.
- Be open and transparent about decision-making, governance and tax planning.
- Reasonably believe that transactions are structured to give a tax result which is not inconsistent with the economic consequences (unless specific legislation anticipates that result), nor contrary to the intentions of Parliament.
- Interpret the relevant laws in a reasonable way, and ensure transactions are structured consistently with a co-operative relationship.





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