



Rehko's UK Tax Strategy

1. Background

Discovery Energy Group (Group) which operates under the trading name "Rehko" operates a broad portfolio of leading businesses including Power Systems, Engines, Uninterruptible Power, Home Energy, Clarke Energy, Curtis Instruments, and Heila Technologies. The majority shareholder of the group is Platinum Equity, a global investment firm with more than \$48 billion of assets under management and is an experienced partner in the industrial products sector.

The UK Tax Strategy is published for all UK companies within the Group in compliance with the requirements of Paragraph 16(2) Schedule 19 of the Finance Act 2016. It is shared by all UK companies within the Group and reviewed on an annual basis. This UK Tax Strategy applies for the year ended 31 December 2024.

2. Our tax risk management

The Board of Discovery Energy UK Holding Ltd (the Board) has ultimate responsibility for the Group's strategy, risk management and policies, including those in relation to tax.

The Group's Chief Financial Officer and VP Tax have overall responsibility for the Group's approach to tax. The day-to-day responsibility sits within the finance and Group tax teams, whose responsibility it is to ensure that all payments and tax returns are made and filed on time and that the right amount of tax is paid.

The Group operates on a global basis, with business locations in over 30 countries. Within the UK, the group has several different businesses, focusing on large scale power projects, uninterruptible power, the sale of engines and generators.

The Group's tax team is expected to:

- Maintain a tax risk framework.
- Provide tax training and guidance to non-tax specialists so that they have appropriate tax knowledge relevant to their role.
- Apply professional care and judgement when considering direct and indirect tax risks in line with the Group's risk management framework.
- Thoroughly document and explain conclusions reached where tax risks are identified, ensuring there is a strong technical position for such conclusions.
- Where appropriate, seek specialist external advice to ensure tax risks can be managed effectively.

The main tax risks and how they are managed are set out below:

1. Complexity and changes in legislation

The Group is subject to a range of different taxes in the UK, each of which is governed by complex tax legislation. Such legislation is typically updated on an

annual basis. To keep up to date with these changes, the Group ensures that its tax team is appropriately qualified and has access to daily tax updates and specialist tax resources, as well as the opportunity to attend technical briefings. The Group also use the services of external tax advisers as and when required.

2. Compliance and reporting risk

The Group is required to meet many different statutory filing and payment obligations. If these are not complied with, the Group could incur interest and penalties as well as an increased risk rating being applied by HMRC. The Group uses a combination of tools to ensure that all compliance and reporting obligations are met in accordance with statutory deadlines.

The Group Tax team works across the business to obtain the necessary commercial understanding of the Group's operations and to obtain the financial information to ensure that the tax computations and returns are complete and accurate.

Explanations are provided in the tax computations to assist HMRC in understanding the transactions and their tax implications.

The Group does not prescribe to particular level of tax risk, instead the affairs of the Group are based on commercial principles and activities and relevant tax legislation.

3. **Our attitude to tax planning**

Our Code of Ethical Conduct sets out the principles we believe should guide our actions to ensure that we make the right decisions. The Code states that:

“Rehiko is committed to compliance with all laws and regulations in the countries where we operate. This Code is the foundation of our commitment to ethical business practices. It sets out the standards for how we interact with each other and engage in business activities globally. The Code applies to all Group companies, its associates and those who work for or represent Rehiko and members of the Board of Directors when acting in their capacity for Rehiko.”

Long standing traditions of high moral conduct and ethical standards are basic to our conduct of business. Honesty and integrity are core values that we must observe in all business activities. All employees are required to follow the Code of Ethical Conduct including in decisions which relate to tax. Mandatory Ethics training is provided to all employees.

The Group does not enter into artificial tax arrangements or take unfounded positions in the interpretation of tax legislation.



The Group ensures that its commercial business and economic activities are carried out in a tax efficient manner. This is in line with the principles originally published in HMRC's Framework for Co-operative Compliance, which was updated in April 2024. The Group ensures that all tax obligations are fulfilled, and that tax is paid where and when it is due.

Specific tax allowances, incentives and exemptions from UK tax legislation are used by the UK Government typically to support economic investment and employment. Where these allowances are applicable to the Group's activities, the Group applies them in the spirit it believes is intended.

4. Working with HMRC

The Group works with HMRC to enable them to understand the tax risks the Group faces and how these are managed. The same approach is taken for both routine and non-routine matters.

The Group engages with HMRC in a proactive and transparent way to identify potential areas of uncertainty in real time. Where differences of opinion arise, the Group seeks to resolve these in a co-operative and timely manner.

Full disclosure is given to HMRC of tax sensitive information to aid the understanding of the facts and allow certainty to be achieved by both parties at the earliest point.