



Tax Strategy

Eversholt UK Rails Limited is a limited company registered in England and Wales. Eversholt UK Rails Limited and its subsidiaries make up the Eversholt UK Rails Group of companies (the “Group” or “Eversholt Rail”). The Group owns and maintains a range of passenger and freight rolling stock assets which are leased to train operating companies and freight operating companies.

Eversholt Rail is required to publish a tax strategy for the financial year ended 31 December 2020 under Schedule 19 of Finance Act 2016. This tax strategy applies to all companies in the Group.

The Group is committed to fully complying with its statutory tax obligations in the UK, including the payment, reporting and recovery of taxes.

Eversholt Rail Tax Governance

Tax governance and risk management are the responsibility of the Board of Directors of each Group company, as overseen by the Board of Directors of Eversholt UK Rails Limited.

The Group has established a Tax Governance Framework to provide guidance on how its tax affairs should be managed. The framework comprises several elements including the Eversholt Rail Tax Strategy, Group Tax Policies, and the Group’s relationship with HM Revenue and Customs (“HMRC”).

Tax compliance and management are dealt with by experienced and qualified staff, with assistance from professional firms or external legal counsel where appropriate or necessary.

Eversholt Rail Tax Strategy

Eversholt Rail’s Tax Strategy is to:

- comply with all relevant tax legislation, regulations and disclosure requirements at all times;
- ensure that the Group submits accurate tax returns and pays the right amount of tax at the right time;
- comply with the Group Tax Policies;
- ensure that the Group’s tax affairs are conducted in accordance with sound business practices and the Group’s commitment to corporate responsibility;

- maintain a transparent, constructive and professional relationship with HMRC.

Eversholt Rail Tax Policies

The core tax policies of the Group are as follows:

- Tax risks arising from the Group's operations must be actively monitored and managed and material risks must be reported to the Board of Directors of the relevant Group company as well as the Board of Directors of Eversholt UK Rails Limited;
- Tax compliance obligations must be properly discharged;
- Robust processes and procedures must be in place to minimise tax risks and compliance errors and must be periodically reviewed to ensure that they are updated to reflect changes in local law and practice;
- Tax evasion or the facilitation thereof by employees or other associated persons (e.g. agents and other persons who perform services for or on behalf of the Group) will not be tolerated or condoned;
- All tax positions taken must be justifiable and based on local law and practice, with due advice being taken from reputable professional firms or advisers where necessary;
- When entering into commercial transactions, the Group may seek to obtain the benefit of tax incentives, reliefs and exemptions available under tax laws and regulations in the relevant jurisdictions;
- The tax affairs of the Group should be arranged and managed to support its business or commercial activities;
- Related party transactions must be properly managed and documented to ensure they are compliant with UK tax law and practice;
- The Board of Directors of the relevant Group company and the Board of Directors of Eversholt UK Rails Limited should be informed and consulted in advance on tax and business matters where appropriate in accordance with internal governance procedures, including the tax consequences of material commercial transactions and decisions made with respect to such transactions.

Relationship with HMRC

The Group is committed to having a transparent and constructive relationship with HMRC. Where appropriate, the Group will seek to keep HMRC aware of significant transactions and business developments. All dealings with HMRC should be conducted in a professional and courteous manner.

The Group will seek to obtain certainty of the tax treatment of complex or uncertain issues at the earliest opportunity. Where possible, resolution of any disputed matters will be sought through open discussion with HMRC.