

# Veolia Field Services Tax Strategy

September 2024



## **ABOUT VEOLIA ES FIELD SERVICES LIMITED (“VFS”)**

VFS is the world expert in the packaging and transport of hazardous waste across borders. VFS identifies, sorts, packages and transports waste materials to appropriate treatment facilities. VFS operates internationally in the management of hazardous waste through the following services

- Packaging
- Conditioning
- Transport
- Administrative compliance

<https://www.sarpi.veolia.com/en/packaging-and-transportation-hazardous-waste-across-borders-veolia-field-services>

## **BACKGROUND**

At VFS it is our policy to conduct all of our business in an honest and ethical manner. Our Values outline the standards and behaviours that VFS upholds as a business. By living our Values we can maintain the highest ethical standards in the conduct of our business affairs.

The tax operating principles and guidelines governing the management of our tax affairs are fully aligned with the Group's wider commercial, reputational and business practices and are consistent with our commitment to corporate responsibility. They consist of the following:

- Managing our tax affairs so as to protect shareholder value, whilst ensuring the Group's reputation, brand, corporate and social responsibilities are not compromised;
- Complying with applicable tax laws, rules, regulations and disclosure requirements wherever we operate;
- Paying the right amount of tax, at the right time, and in the right place around the world;
- Use incentives and reliefs only for the purposes intended;
- Only taking tax decisions which are aligned with a genuine commercial rationale and are consistent with the wider objectives of the Group; and,
- Subject to local custom and practice, to be constructive and transparent with tax authorities, based on the concepts of integrity, collaboration and mutual trust.

## **INTRODUCTION TO THE TAX STRATEGY**

This document sets out the tax strategy for VFS. It is set by the Switzerland & Field Services Director and the Head of Tax for Veolia in the UK and they will jointly monitor the effectiveness and review the implementation of this policy - regularly considering its suitability, adequacy and effectiveness.

The tax strategy is primarily of relevance to the Executive Committee, the Audit Committee and all members of the UK Tax Department. It is also of relevance to all finance, legal and operational personnel at Veolia whose decisions have tax consequences.

The approach to managing our tax affairs, as set out in this strategy document, is approved by Nicholas Morgan, Switzerland & Field Services Director. It was last approved in September 2024.

## **SPECIFIC HM REVENUE & CUSTOMS (“HMRC”) REQUIREMENTS FOR A PUBLISHED TAX STRATEGY**

The Finance Act 2016 requires the published tax strategy of a business to cover four specific requirements:

- The approach to risk management and governance arrangements in relation to UK taxation;
- The attitude of the group towards tax planning (so far as affecting UK taxation);
- The level of risk in relation to UK taxation that the group is prepared to accept; and,
- The approach of the group towards its dealings with HMRC.

VFS considers that the above items are all satisfactorily addressed in this document and therefore it is compliant with the requirements of the Finance Act 2016 in respect of the year ended 31 December 2024.

## **THE APPROACH TO RISK MANAGEMENT AND GOVERNANCE ARRANGEMENTS IN RELATION TO UK TAXATION**

Given both the scale and different aspects of our business, risks will inevitably arise from time to time. However, VFS effectively manages these risks in a number of distinct ways:

- The UK Head of Tax is responsible for ensuring that appropriate tax policies, processes and systems are in place and that these are reviewed for operational effectiveness.
- The UK Tax Department is adequately staffed, has clearly defined roles, and has the required skills and support to carry out their role effectively. Regular training is provided to ensure they are capable of identifying and managing the tax risks faced as a result of the ever changing tax obligations both in the UK and overseas.
- Appropriate proactive and real-time support is provided to all areas of our business operations such that commercial objectives can be maximised, risks can be minimised and appropriate tax incentives can be claimed. Commercial objectives will however on no occasion override compliance with tax laws and regulations.
- VFS takes a zero-tolerance approach to the facilitation of tax evasion in any form by its employees, agents, or associates of any kind. VFS considers that it has reasonable prevention procedures in place for the purposes of Part 3 of the Criminal Finances Act 2017, with our policy in this area clearly communicated to all appropriate stakeholders.

- Tax is a key driver when taking into account investment opportunities, to ensure that all decisions are made with the knowledge of all future associated tax costs and that post tax returns can be optimised. It is important therefore that all of our business operations receive the appropriate level of tax support and the UK tax department therefore will aim to be involved in all stages of material and/or tax sensitive transactions from initial planning through to post implementation.
- The UK Audit Committee will periodically review tax matters affecting the UK group, via updates provided by the UK Head of Tax. Material tax concerns are included in the overall UK risk register, with details also provided to Veolia Environnement SA.

### **THE ATTITUDE OF THE GROUP TOWARDSTAX PLANNING(SO FAR AS AFFECTINGUK TAXATION)**

Ensuring that we pay the right amount of tax at the right time is core to VFS, and we make a significant total tax contribution to the UK Exchequer each year in respect of our UK activities.

We will however manage our tax costs through maximising the tax efficiency of our business transactions. Specifically, we recognise that there is sometimes more than one tax outcome in commercially motivated transactions. We will not however wilfully engage in tax schemes, abuse tax havens, or structure transactions in such a way that we believe are artificial and/or contrary to the spirit and the clear intentions of the tax legislation concerned.

We will only use tax planning to support the business strategy and as such all decisions will have a sound commercial rationale, will be within the confines of the law and will take into account any impact that such actions will have on our external reputation.

Occasionally, advice may be sought from external advisors. This will only be the case when the UK Head of Tax considers that there is not the requisite experience within the tax team to adequately address the issue, where tax law is unclear/open to interpretation, or that the issue is sufficiently large to warrant corroboration by an independent third party. The UK Head of Tax will be responsible for any such appointments (although this may be delegated to others from time to time) and shall have in mind any restrictions imposed for any such services under UK law on the use of the UK external auditor, or under EU law on the use of the joint external auditors of Veolia Environnement SA.

### **THE LEVEL OF RISK IN RELATION TO UK TAXATION THAT THE GROUP IS PREPARED TO ACCEPT**

The acceptable nature of tax risk we are prepared to take is inextricably linked to the level of business risk we are prepared to take, which in itself is aligned to VFS's commercial, reputational and business practices. In this regard, various factors will always be considered including, but not limited to, the financial impact, the impact on corporate reputation/ brand and the impact on relationships with external stakeholders.

### **THE APPROACH OF THE GROUP TOWARDSITS DEALINGS WITH HMRC**

We engage with HMRC with honesty, integrity, respect and fairness and in a spirit of co-operative compliance. We believe we have a transparent and open relationship with HMRC and will cooperate with them, to the extent possible, on a real time basis. Where appropriate, VFS will also enter into consultations with HMRC to assist in the shaping of future legislation and tax policy. All information requests from HMRC – whether under a formal enquiry or otherwise - are processed in as timely a manner as possible in order to ensure that the information provided is accurate and complete.

We will, to the extent possible, discuss material tax issues with HMRC in advance where we consider that the tax treatment proposed by VFS may not be agreed by HMRC. This could be via scheduled 'Risk Review' meetings, or periodically throughout the year if more appropriate.

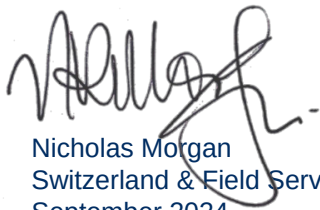
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To ensure consistency of approach, all dealings with HMRC are where possible dealt with by the UK Tax Department. On occasions, contact with HMRC is required to be made by others, but this should always be with the full knowledge of the Veolia UK Head of Tax. The above approach is also extended to other Government Agencies and, occasionally, overseas fiscal authorities.

VFS does expect an equal degree of professionalism and mutual respect from HMRC in all of its dealings with them.



Nicholas Morgan  
Switzerland & Field Services Director  
September 2024