

This document sets out the tax strategy for Arco Limited and its subsidiaries (“the Group”) in respect of the year ended 30 June 2026 as required by paragraph 16(2) Schedule 19 Finance Act 2016. This document will be reviewed annually.

The Group is a UK-based family-owned business. This strategy document sets out the Group’s policy and approach to conducting its tax affairs and dealing with tax risk within the business, and applies to UK taxation, including corporation taxes, indirect taxes and employment taxes payable and reportable to HM Revenue & Customs (HMRC).

The Group’s tax strategy is to ensure that it complies with all tax laws wherever it does business and that it pays all taxes that it is legally required to pay when they fall due.



## Attitude to Tax Planning

The tax strategy is aligned with the Group’s vision and core values and fits within its overall Corporate Governance structure. The Group does not participate in any tax planning arrangements that do not comply with either the legal interpretation or the spirit of tax laws.

The Group is transparent and proactive with tax authorities when discussing planning and seeks confirmation of treatment where tax law appears unclear. The Finance team seeks support from professional advisors when tax matters arise that are deemed sufficiently complex or material to the Group to ensure compliance.

## Approach to Manage Tax Risks

The governance of the business is led by the Board of Directors, supported by the Audit Committee, with the aim of ensuring that the Group meets its business and financial obligations.

The Group has an experienced finance team which, under the Chief Financial Officer, work with the business to ensure that:

- The strategy is adopted and followed consistently across the Group, with clear lines of responsibility and accountability;
- There is alignment of the strategy with the Group’s overall approach to corporate governance and risk management; and
- The Group pays the correct amount of tax required of it as determined by law.

The Group considers sufficient controls and processes are in place to meet the Group’s tax strategy. These controls and processes are subject to testing and review over the course of the year, and continue to evolve as appropriate with legislative changes.

## Level of Tax Risk Tolerated

The Group aims to identify and mitigate tax risks to a low level of risk through the controls and processes that it has in place. The level of risk which the Group accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the Group’s tax affairs. The Group’s transactions are based on sound commercial values with the intent to comply with all relevant laws including applicable tax laws.

## Working with HMRC

For UK tax purposes, the Group is a large business and thus has been assigned a Customer Compliance Manager (“CCM”) within HMRC. The Group has an open relationship with the CCM, communicating on a regular basis to discuss business developments and specific tax matters and there is a nominated Senior Accounting Officer within the Group.

The Group seeks to ensure that its engagement with HMRC is professional, open and honest, and undertaken in a collaborative manner.

This tax strategy was approved by the Main Board of Arco Limited on 29 January 2026.