

# UK tax strategy – 2018

Engelhart Commodities Trading Partners (formerly known as BTG Pactual Commodities) was established in 2013 and has developed into a global diversified merchant and client solutions provider in the commodities space covering a range of agricultural, industrial and energy products. The group is headquartered in London and operates in global platforms throughout our network of offices.

Our goal is to facilitate the marketing, processing, financing and transportation of essential raw materials. We operate from the beginning to the end of the global commodities value chain and our approach to tax supports our business to ensure timely and accurate compliance with all our tax obligations.

This UK tax strategy is published in compliance with paragraph 19(2) Schedule 19 Finance Act 2016 for year ending 31 December 2018 and applies to Engelhart CTP Group (UK) Limited and all direct and indirectly owned entities within the UK group.

## Governance and risk management

The Chief Operating Officer is responsible for this UK tax strategy which has been reviewed and approved by ECTP Management Committee. The Chief Operating Officer delegates the implementation of the UK tax strategy to the Head of Tax and delivery of the strategy is supported by the group tax and finance teams. The UK tax strategy is reviewed on a regular basis and any changes are approved by ECTP Management Committee.

The ECTP risk management framework requires that, in addition to being guided by the highest ethical standards and our own strict in-house compliance rules, we also adhere to international-standard governance procedures. We have therefore implemented procedures, processes and frameworks to manage tax risks and mitigate the impact of material risks on our business.

We are committed to complying with all relevant tax laws, rules, regulations and practices in the UK and all the territories in which we operate, and to pay the amounts of tax legally due. As part of our monthly financial reporting cycle, the group tax team assesses any tax risks arising (including those reported by the operations) and notifies any material risks to the Chief Operating Officer, ECTP Management Committee and (in appropriate cases) ECTP Internal Audit.

We periodically review how we meet our tax obligations by seeking external tax advice, investing in training for our staff and reviewing our processes and framework to address new and emerging risks.

## Tax planning

ECTP undertakes tax planning as part of our overall strategy to strengthen our business and optimise returns to our shareholders.

The tax costs/risks of key business decisions are proactively assessed and professional advice is sought to secure certainty and mitigate risks/disputes. The extent of such professional advice is driven by our assessment of the risk presented by each opportunity.

ECTP does not undertake aggressive tax planning, the sole purpose for which would be obtaining a tax advantage. However, we will make use of such tax incentives, exemptions and reliefs provided in law to minimize the tax costs to our business.

## Attitude towards risk

ECTP Management Committee sees compliance with tax legislation as key to managing our tax risk. As a group, we understand the importance of tax in the wider context of business decisions and have processes in place to ensure tax is considered as part of our decision making process.

We are not prescriptive about the level of tax risk which is acceptable. Our approach is to ensure we are compliant and understand our responsibilities with regards to tax, rather than looking for ways to aggressively avoid payment of tax. Where there is material uncertainty concerning the appropriate treatment of a transaction, we would normally only proceed on the basis of advice from our professional advisers that the transaction in question ought to have the particular outcome. We have relationships with professional advisers that allow us to seek expert advice on specialist areas of tax both in the UK and abroad.

## Relationship with HM Revenue & Customs

ECTP is committed to working collaboratively with HMRC to promote an open, transparent and trust based relationship.

We are focused on timely tax compliance and endeavour to meet all relevant filing and payment deadlines for each group company. We work with our professional tax advisers to make fair, accurate and timely disclosures in our tax returns and are committed to working with HMRC to resolve any disagreements on interpretation of tax laws, in a reasonable way.

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