

Wella Company Group Tax Strategy

The tax strategy applies to Rainbow BidCo UK Ltd, its worldwide subsidiaries and affiliated entities, including Rainbow Capital Group Ltd and Rainbow JVCo Ltd. We regard publication of this document in our fiscal years 2024 and 2025 as complying with the requirements of paragraph 16(2) of Schedule 19 of the Finance Act 2016.

About

The Wella Company ("Wella Company") is a spin-off of the Professional Beauty, Retail Hair, and ghd businesses from Coty which was closed in December 2020.

Wella Company is a leading player in the professional beauty and retail hair segments that develops, manufactures, and sells innovative hair colouring, haircare, nail colouring as well as hair appliances products to salons, retailers, and end-customers globally.

Wella Company has a global footprint spanning legal entities in 32 countries and more than 6,000 employees across five continents. Wella Company is majority owned by Kohlberg Kravis and Roberts ("KKR") Private Equity, while Coty retains a minority shareholding.

Wella Company's approach to tax management and governance

Wella Company is committed to high standards of corporate governance, transparency, and responsibility. We pay tax in the countries in which we operate in accordance with local laws and international guidelines. These taxes include corporate income taxes, employment taxes, social security, indirect taxes (such as VAT and sales and use taxes), taxes on ownership, and use of property, customs and excise duties, and environmental taxes.

Responsibility and accountability for the group tax strategy rests with the Chief Financial Officer and the Head of Tax.

The group tax strategy and risk management actions are reviewed annually by the Audit Committee.

The Wella Company global tax team ("Global Tax") is composed of experienced direct and indirect tax professionals who partner with the business and finance teams to implement the tax strategy and manage risks in a proactive manner.

Global Tax establishes policies, procedures, and processes that support the tax strategy and ensures – in coordination with the other relevant functions in the Group - that they are in place, maintained, and applied consistently. Global Tax "signs-off" on significant transactions and evaluates the extent of required disclosures.

Local finance teams, or any other relevant functions, are responsible for the day-to-day execution of the tax strategy, which is disseminated by the global tax team through internal appropriate trainings and connect calls.

Wella Company's attitude to tax planning

Wella Company aims to achieve a long-term sustainable approach to tax management, having regard to relevant domestic tax law and international standards such as OECD guidelines on transfer pricing.



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In structuring and managing our commercial operations, we consider all appropriate tax laws, with a view to ensuring compliance and maximizing value for our shareholders. All business transactions have commercial and economic substance. Wella Company seeks advice from external tax advisors in areas of significant uncertainty or risk.

Level of risk Wella Company is prepared to accept

Wella Company seeks to continuously review and improve the effectiveness of its tax control framework in order to identify and manage tax risks proactively. When taking positions on tax returns, we follow a 'more likely than not' approach and expect such positions to stand up under audit. Wella Company does not engage in or condone tax evasion or the facilitation of tax evasion.

Tax compliance and control framework

Tax compliance is under the responsibility of different functions, such as (i) Local finance functions for direct taxes and VAT/Sales Tax, (ii) Human Resources functions for social charges and employment taxes, (iii) Logistics for customs duties, and (iv) Supply chain for environmental and other taxes.

Global Tax has developed a tax control framework and deployed a yearly structured approach to tax risk with respect to how risks are identified, managed, and effectively monitored. Key tax risks are reported to the Audit Committee as appropriate.

Relationship with tax authorities and transparency

Wella Company looks to develop and maintain positive and transparent working relationships with all tax authorities, seeking to resolve issues in a constructive and timely manner. Where appropriate, we will seek to obtain pre-transaction clearances to reduce uncertainty.



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