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. This tax strategy is published in accordance with paragraph 16(2) of Schedule 19 to the UK Finance Act 2016 for the fiscal year 2026.

About

Wella Company is the result of the December 2020 separation of the Professional Beauty, Retail Hair and ghd businesses from Coty.

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 investment funds advised by Kohlberg Kravis Roberts & Co. L.P. ("KKR").

Wella Company's approach to tax management and governance

We are committed to conducting our tax affairs in a manner that is consistent with our Code of Conduct and our broader Environmental, Social and Governance (ESG) principles. 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 for the Group's tax strategy rests with the Chief Financial Officer, supported by the Head of Tax. The Audit Committee oversees the Group's tax governance, reviews the tax strategy annually and receives regular updates on significant tax matters, key risks and material tax positions, as appropriate.

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 reviews and approves 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 training, guidance and regular communication.

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 the OECD Transfer Pricing Guidelines.

In structuring and managing our commercial operations, we consider all appropriate tax laws, with a view to ensuring compliance while supporting the commercial objectives of the business in a tax-efficient manner. All business transactions have commercial and economic substance. External tax advisers are engaged where specialist expertise or independent advice is appropriate.

Business transactions are undertaken for commercial reasons. Wella Company does not enter into artificial arrangements whose primary purpose is to obtain tax advantages contrary to the intent of applicable tax legislation.

Wella Company complies with applicable tax reporting and disclosure obligations in the jurisdictions in which it operates.

Level of risk Wella Company is prepared to accept

Wella Company maintains a prudent approach to tax risk. We seek to identify, assess and manage tax risks proactively through our tax control framework. Where the application of tax law is uncertain, we seek appropriate advice and exercise professional judgment consistent with our risk appetite. 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. The effectiveness of key tax controls is periodically assessed as part of the Group's internal control environment. The Group is committed to maintaining an effective tax control framework that supports reliable financial reporting and compliance with applicable regulatory requirements.

The Group monitors developments in international tax legislation, including OECD Pillar Two and other significant international tax initiatives, and adapts its governance, controls and reporting processes accordingly.

Tax governance and integrity

Wella Company supports responsible tax practices and recognizes that taxation is an important contribution to the jurisdictions in which it operates. The Group seeks to comply not only with the letter of applicable tax law but also with its underlying intent. Tax considerations are integrated into business decision-making but do not drive commercial decisions independently.

Relationship with tax authorities and transparency

Wella Company seeks to engage with tax authorities in an open, transparent and constructive manner and aims to resolve matters on a timely basis. Where appropriate, we will seek to obtain pre-transaction clearances to reduce uncertainty.

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