

Tax Strategy

OUR APPROACH TO TAX

Scope of our Tax Strategy

The UK based Orbia Group companies pay a range of taxes including corporate income taxes, stamp duties, withholding taxes, employment, and other taxes. We also collect and pay employee taxes as well as indirect taxes such as VAT and excise duties.

For the purpose of the Group's tax strategy, tax is defined as all forms of direct or indirect tax charges or levies including corporate income tax, VAT, payroll taxes, excise and import duties, stamp duties and withholding taxes.

The Group tax strategy applies to all entities within the UK, as well as all Directors and employees whose actions or responsibilities impact on the management of tax in the UK. This document outlines the Group's tax strategy for the financial year ending 31 December 2022 and is compliant with the requirements of Paragraph 16(2), Schedule 19 of Finance Act 2016.

Tax Risk Management

Our overall risk management approach requires that we have in place the right procedures and processes to minimise risks from impacting our business, or to enable us to respond promptly and decisively when they do. This gives us confidence in our ability to achieve our strategic objectives and supports the long-term sustainable growth of our business. We are committed to complying with tax law and practice in the UK and all the territories in which we operate. As such, our tax risk management approach requires operations within the UK to establish appropriate tax compliance procedures.

As part of our financial reporting cycle, the finance team assesses any tax risks arising, including those reported by the operations. In addition, regular tax review meetings are held internally and with our external advisors. Material risks are notified to the Territory Finance Director and followed up accordingly.

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We will seek to minimise uncertainty, risk or disputes and we will engage external advisors as appropriate to achieve this. As such our appetite for risk is relatively low in this regard.

We do aim to make use of those tax incentives and exemptions intentionally provided in law, for example capital allowances and credits associated with research and development expenditure and patent box.

Relationship with Tax Authorities

We engage with HM Revenue and Customs (“HMRC”), with honesty, integrity and transparency in respect of all tax matters. We work collaboratively with HMRC wherever possible to resolve disputes or where there is uncertainty in the interpretation of tax laws.

We believe that by following the principles set out above the tax function will continue to support our vision to be the world’s most trusted building and infrastructure, refrigerant and medical gas, and polymer solutions business.