

SIBELCO GROUP UK TAX STRATEGY

Our General Approach to Tax

We understand our responsibility to pay an appropriate amount of tax and fully support efforts to ensure transparency in how our tax affairs are managed.

The company recognises its responsibility to shareholders to be financially efficient whilst ensuring that all taxes are correctly accounted for and paid and that all tax compliance including tax returns are completed and filed accurately and on time.

In the UK, Sibelco Group might use available incentives and reliefs to minimise the tax costs of conducting its business activities. In any event we aim to observe and respect all applicable laws, rules, regulations and disclosure requirements and do not interpret tax laws in a way we believe is contrary to their intention.

Our tax contributions include excise remittances, import duties, corporation tax, VAT, payroll and other taxes we pay or collect on behalf of the government.

Tax Function Responsibilities

The tax function is organised on a global basis which ensures consistent tax policies, strategies and processes.

The UK tax work is completed by the Finance Department with assistance from the Group Tax Team including its Belgium based Executive Vice President Group Tax and his team.

Advice is sought from external advisors on material or complex transactions and whenever necessary expertise is unavailable in-house.

Risk Management

The level of risk which Sibelco Group accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in its tax affairs, and as such consults external tax experts to ensure compliance with UK tax law and avoid tax risk exposure.

Relationship with HMRC

We aim to be open, honest and transparent with all our dealings with the tax authorities and any other relevant bodies. 'Building positive relationships' is one of the Sibelco values which are highly respected in building a compelling culture across Sibelco Group. We have always strived for and maintained a good relationship with HMRC.

Transfer Pricing

In line with both EU and OECD guidelines as well as UK domestic rules we base our transfer pricing policy on the arm's length principle and support our transfer prices with economic analysis and reports. Appropriate Transfer Pricing documentation is available for all relevant transactions.

Sibelco also meets its OECD Action 13 Country-by-Country obligations.

This UK Tax Strategy is published in connection with the Finance Act 2016.