

Ekman Group - UK Tax Strategy for the year to 31st December 2017

In compliance with paragraphs 19 and 22 of schedule 19 to the United Kingdom's Finance Act 2016, the Group is publishing its UK Tax Strategy for the year ending 31st December 2017.

We confirm that this strategy will apply to the following UK companies:

- Reliance Fibres Limited
- Ekman Holding UK Limited
- Ekman UK Limited

This tax strategy applies to all UK taxes applicable to the UK companies. It will be reviewed annually, updated as appropriate and approved by the Group. The Group is responsible for setting and monitoring the strategy.

The Group operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the Group's financial reporting system. The Group seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations. The key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required.

The Group has a capable finance team with clear roles and responsibilities to ensure compliance with tax and financial requirements. Staff are suitably skilled, and training is offered as considered relevant. In cases of uncertainty, matters will be referred to the Group Finance Director who may seek advice from external professional advisors, or seek advice from HMRC direct.

Matters where the Group Finance Director considers there is insufficient skill or experience internally are referred to external professional advisors who have suitable knowledge and hold suitable accounting and tax qualifications, as well as relevant experience.

The Group wants to ensure that it pays an appropriate amount of tax in relation to its commercial activities. It does not engage in aggressive tax planning arrangements and believes that it is conservative in its approach to tax planning, taking advantage of available tax incentives, reliefs and exemptions, but applying tax rules and regulations in a way that it considers is consistent with the UK Government's intention and HMRC expectations.

The Group is committed to working in a collaborative, transparent and proactive way with HMRC at all times. It adopts the principles of openness and transparency in its approach to dealing with HMRC and believes in engaging in full, open and early dialogue with HMRC to discuss the Group's tax affairs. The Group is committed to making fair, accurate and timely disclosure in correspondence and returns, and to respond to queries raised by HMRC in a timely manner with the aim to resolve any issues in real-time where possible or to work together to resolve issues quickly and efficiently, with certainty wherever possible.

This Tax Strategy document is communicated to all the relevant stakeholders within the Group's UK companies, from the Senior Executives who are making regular commercial decisions to those individuals who are involved in the daily tax processes/procedures that are operated, so that it is firmly embedded in the culture adopted. This UK Tax Strategy will be subject to continuous review by these stakeholders to ensure that the Group's UK companies are adhering to its strategic aims and objectives and these performance reviews will be documented and made available to the Group as part of its annual review.

18th December 2017