

## HEXPOL – UK tax policy 2017

HEXPOL AB (publ) considers its following tax policy to apply to all UK group entities. This document complies with the transparency requirement introduced in the Finance Bill 2016, whereby certain businesses in the UK are required to publish their tax strategy as it relates to or affects UK taxation.

At HEXPOL we recognize that our activities have an impact on people and the environment, but we are convinced that we can contribute to sustainable development by being a responsible citizen. This responsibility applies to all aspects of our business, from limiting our impact on the environment to our tax policies.

Our overall tax policy is to meet all legal requirements regarding tax payments. Furthermore, we consider our tax responsibilities in the context of our reputation, both locally and globally.

### **Risk management and governance**

Our internal structure is set up to facilitate the overview and awareness of various tax risks. The Board of directors is responsible for developing and monitoring the groups tax policy and is thus involved in all major decisions.

HEXPOL works continually to improve the group's decision-making and control systems. Although the Board of directors oversees the overall strategy of the group, the day to day management is carried out by the CEO, CFO and various regional management teams. This means all levels of the group are responsible for implementing the groups tax policy, thus increasing the overall awareness of the importance of risk management.

Furthermore, we may seek external advice to ensure compliance with legal requirements, particularly when it comes to complex areas of taxation.

### **Attitude to tax planning**

In structuring our business, we will consider relevant tax laws. All our business endeavours are based on commercial and economic considerations. As part of this, tax is considered as an economical factor in business operations.

### **Tax risks**

As a multinational group HEXPOL faces certain tax risks. Transparency applies to information provided to shareholders and the capital markets. Accordingly, we focus on identifying the tax risks we face and how to handle those risks satisfactorily, with regards to both the public and to tax compliance. HEXPOL's primary objective is to create profitable growth and we believe this cannot be done if we do not closely monitor the tax risks we face and, when dealing with those tax risks, make sure we comply with all relevant legislation.

### **Relationship with HM Revenue & Customs (HMRC) and other tax authorities**

We seek to achieve transparent communications with all tax authorities, including HMRC, in the jurisdictions where we are established. Furthermore, we strive to comply with all deadlines, for instance filing and payment deadlines, in a timely manner.