

Primex Plastics Limited (Subsidiary of Primex Plastics Corporation – An ICC Industries Inc. Business) Tax Strategy

This page sets out the strategic tax objectives for Primex Plastics Limited.

Our tax strategy is reviewed annually. The Head administrator reporting to the Director of Finance (USA) are responsible for management of the tax affairs of the business.

This strategy applies from the date of publication until it is superseded. References to 'UK taxation' are to the taxes and duties in the UK which include:

- All corporate income taxes
- Indirect taxes (VAT, Stamp Duty Land Tax)
- Employment taxes (PAYE / National Insurance / Construction Industry Scheme)
- Other applicable tax matters

The tax strategy is approved by the management team and sets out the group's general tax arrangements as well as the policy and approach to tax risk management, attitude to tax planning and working with HMRC.

Aim and Alignment with group policy

As part of a multinational group we are aligned with and follow the wider ICC guiding principles, code of conduct and tax policy for the group.

Guiding principles

We act as a responsible global corporate tax citizen in compliance with applicable tax law and regulations.

We encourage ethical and transparent business practices and do not employ legal entities for purposes of tax avoidance. We encourage an open and honest dialogue between tax policy makers and business.

We actively engage in the development of a rule based international tax framework.

We make tax part of every important business decision.

We report and disclose our tax positions in accordance with applicable regulations and requirements.

Tax code of conduct and tax policy

We are committed to provide transparent and accessible information to tax administrations in order to facilitate an understanding of our tax strategy and the underlying business models. We promote an open and honest dialogue between tax policy makers and businesses as the basis of our daily work.

We see the strict compliance with the legal framework set by national legislators as our obligation.

This approach is consistent taking in all countries that we operate in and ensuring appropriate remuneration where the value is created.

The increasing complexity and uncertainty in the international and national tax systems requires us to have mechanisms in place that ensure all policies and regulations are adhered to. It is our primary objective to act in accordance with the respective tax laws in the countries we operate in.

We are committed to complying with our tax obligations and maintaining good relationships with HM Revenue & Customs. To do this we only engage in reasonable tax planning that is aligned with our commercial, economic and reputational goals. We keep HM Revenue & Customs informed of business activities, results and key developments and pro-actively disclose and resolve issues, risks and uncertain tax positions.

Tax strategy and strategic objectives

Primex Plastics Limited was established in the United Kingdom in 1998, with office and manufacturing operations in Newton Aycliffe, Co. Durham. Generally the tax strategy and strategic objectives are intended to establish a clear and unequivocal approach to all aspects of tax reporting and compliance within the industries the company operates.

The tax strategy is focused on ensuring that taxes (and tax risks) are managed to provide outcomes consistent with commercial reality and are within the parameters of the Group's strategic objectives. The strategy also requires that all tax obligations are complied with in the UK and other relevant jurisdictions.

With the tax landscape constantly changing, Primex Plastics Limited's tax affairs and tax risks are regularly reviewed to ensure that we are up-to-date so that we are able to identify, assess, manage and mitigate tax risk as well as being aligned with the groups business strategy and governance framework.

Tax risk management and risk appetite

The day to day management of Primex's tax affairs is provided by the UK tax team.

Processes relating to different taxes and tax risks are allocated to the Head Administrator's department. These processes are monitored for changes in business and legislation and are updated accordingly.

Primex Plastics Limited seeks to reduce the level of tax risk arising from its operations as far is practically reasonable by implementing various internal tools for the business to follow.

Primex Plastics Limited utilises tax reliefs and allowances available in the manner in which intended by HM Revenue & Customs and statute. There will, however, be circumstances where this amount may not be clearly defined, or where alternative approaches may result in differing tax outcomes. Primex Plastics Limited will use its best judgment in determining the appropriate course of action, using available reliefs and incentives where possible and liaising with HMRC where appropriate.

Primex Plastics Limited does not engage in artificial tax arrangements and ensures that the outcomes are consistent with commercial realities.

Primex Plastics Limited's appetite for tax risk is low and we only structure our affairs based on sound commercial principles and in accordance with Group policy and relevant tax legislation. Aggressive tax planning is not proactively considered and external advice is sought where appropriate.

Relationship with HMRC

It is Primex Plastics Limited's general policy to be transparent and proactive in all interactions with HMRC through regular communications with HMRC.

We have an open, honest and positive working relationship with HMRC. We are committed to prompt disclosure and transparency in all tax matters with HMRC. We recognize that there will be areas of differing legal interpretations between ourselves and HMRC and where this occurs we will engage in proactive discussion to bring matters to as rapid a conclusion as possible.

Any inadvertent errors in submission of tax returns and tax computations to HMRC are fully disclosed as soon as reasonably practicable after they have been identified.