

Norcros Group Tax Strategy

Issue Date: 31 March 2019 – relating to Financial Year Ending 31 March 2019

Introduction

This tax strategy applies to all UK taxes and the document is approved by the Audit & Risk Committee of the Norcros plc board. It will be reviewed annually, updated as appropriate, with amendments approved by the Audit & Risk Committee. The Board is responsible for setting and monitoring the strategy. This document is intended to comply with the requirements of Schedule 19 of the UK Finance Act 2016 in respect of Norcros plc and all UK subsidiaries.

Tax risk management and governance

The Board's Audit and Risk Committee is responsible for overseeing and approving the Norcros Tax Strategy. Responsibility for the adherence to the Tax Strategy, and management of tax risks, rests with the Group Finance Director, assisted by the Group Financial Controller. The Group Finance Director regularly advises the Board on the tax affairs and risks of the Group and ensures through the normal course of business the proper control and management of tax risk through -

- significant tax related decisions being subject to extensive review and approval procedures;
- tax affairs being managed by appropriately qualified and experienced staff;
- the use of third-party advisers where appropriate

Management of UK tax risk

Norcros aims for full compliance with all HMRC tax requirements. Norcros seeks to achieve this aim through:

- submission of all UK tax returns on a timely basis, with sufficient detail and support to enable HMRC to form an accurate view of the affairs of the company
- paying the appropriate amount of tax at the right time, with full transparency on any differences to the position taken by HMRC,
- maintenance of tax accounting arrangements which are robust and accurate and comply with the Senior Accounting Officer (SAO) provisions in the UK.

Norcros attitude to tax planning

Norcros does not engage in tax efficiencies or planning where the underlying commercial objectives do not support the position, or if the arrangements impact upon the business's reputation, brand, corporate and social responsibilities, or future working relationships with HMRC. Norcros will not engage in artificial transactions where the sole purpose is to reduce tax.

Working with HMRC

Norcros will comply with all relevant legal disclosure and approval requirements and all information will be clearly presented to HMRC as appropriate. In its dealings with HMRC, Norcros will act in an open, honest and transparent manner.

Communication of Tax Strategy

This Tax Strategy is communicated to all the relevant stakeholders within Norcros ensuring it is firmly embedded in the culture that we adopt. It is subject to continuous review by these stakeholders to ensure that Norcros is adhering to its strategic aims and objectives.

Approved by the Audit & Risk Committee of the Norcros plc board – March 2019