



Bakelite - UK Tax Strategy 2023

Bakelite's Tax Strategy is applied consistently to all companies within the worldwide Bakelite Group and, is widely understood within the Group. It is reviewed and updated where necessary to reflect changes in the Group's business and our approach to taxation generally.

In compliance with the duty under paragraph 19(2)/22(2) of Schedule 19 of Finance Act 2016, Bakelite is publishing its UK tax strategy and it related to financial year ended 31 December 2023. This strategy applies to all Bakelite companies in the UK:

- Bakelite UK TopCo. Ltd.
- Bakelite UK Intermediate Ltd.
- Bakelite UK Holding Ltd.
- Peach Holdco Limited.
- Bakelite Synthetics UK Limited.

The UK tax strategy aims to ensure:

- compliance with both the Bakelite Group Tax Procedures and HMRC's guidelines;
- compliance with all tax obligations and laws; and
- that the right amounts of tax are paid at the right time.

Risk management and governance arrangements

The Group Tax Strategy is informed and underpinned by Bakelite Ethics Code.

In particular, The Group has a code of ethics, which prescribes that operating in an ethical manner is the foundation for ensuring it complies with the letter and the spirit of the law. The Group adheres to the highest ethical standards in the conduct of its business and complies with all laws and regulations that are applicable to the business. Each associate has the responsibility to maintain and advance the ethical values of the Group. The ultimate responsibility for the implementation of the code resides with the board of directors.

In line with its code of ethics, the Group is committed to comply with the tax laws and practices in all the territories in which it operates. All taxes that are required to be paid are paid in a timely manner. All relevant facts and circumstances of importance to assess the applicable tax liabilities are disclosed to tax authority (including HMRC) and any firms involved in tax compliance and advise for the Group. Available reliefs and incentives are claimed, when appropriate.

The Tax Strategy application is subject to regular reviews by the Group's internal audit department.

Attitude towards UK tax planning

The UK based companies do not engage in aggressive tax planning and/or artificial transactions, for



the sole purpose of reducing UK tax liabilities. However, the UK based companies may undertake commercial transactions in a way most favorable from a UK tax perspective, providing this is in alignment with the business reality and objectives. The Group does not undertake tax planning in cases not driven by business objectives, corporate and social responsibilities, or future working relationships with HMRC.

Attitude towards tax risk

The Group has implemented procedures and controls designed to ensure that tax risks are identified and appropriately managed, resulting in the submissions of accurate tax returns both in the UK and globally. The Group has outsourced its corporate tax compliance to a reputable accounting firm who has local expertise. Indirect tax compliance is taken care of by the Group itself, and the same accounting firm is consulted in the event of (possible) uncertain positions or questions about the legislation and the interpretation thereof. The Group strives to minimize tax risks.

In case there is uncertainty about the application or interpretation of tax law in a specific situation or transaction, general written advice is taken from a reputable firm to support the decision making process. Whenever possible and appropriate upfront clearance from Tax Authority (including HMRC) will be requested.

Level of risk that our business is prepared to accept for taxation

We take a responsible approach to managing our tax affairs; as a Group we will always comply with applicable tax laws and regulations in the countries in which we operate.

Our approach to tax risk follows the same principles that apply to all other business risks. We consider reputation and corporate social responsibility as well as purely financial impacts. We are particularly aware of our reputation with a wider population of stakeholders in matters related to tax, including the tax authorities.

Relationship with UK tax authorities

The UK companies comply with all relevant legal disclosure and approval requirements and all information is presented clearly to HMRC as appropriate. There will be an open, honest and transparent manner of acting in any dealings with HMRC. By acting like this, the Group seeks to avoid having disputes with HMRC.

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