

Imerys UK Group UK Tax Strategy

Introduction

The Imerys UK group (Imerys UK) is part of the French-owned multinational group, Imerys SA, headquartered in Paris, France.

In compliance with the requirements of Finance Act 2016 Schedule 19, paragraph 19(2) Imerys UK is publishing its UK tax strategy for the year ended 31 December 2021. This strategy applies for the year ended 31 December 2021 and will continue to apply until superseded. It applies to all Imerys UK group companies and the taxes and duties in the UK which they are subject to as set out in Finance Act 2016 Schedule 19, paragraph 15(1) including, but not limited to:

- Corporate income taxes
- Indirect taxes (VAT, Stamp Duty Land Tax)
- Employment taxes (PAYE / National Insurance / Construction Industry Scheme)

The headings below follow the scheme of the legislation and related guidance that has been issued by HMRC.

Tax risk management and governance

The Imerys SA group has tax risk management and governance processes encompassed within a formal policy. The policy is overseen by the Imerys SA Board which has primary responsibility for Imerys SA group global taxation policy.

The main objectives of the formal tax policy are as follows:

- Monitoring Imerys SA group's effective tax rate and the reporting of this in Imerys SA group's financial statements;
- Ensuring that the Imerys SA group legal entities comply with all applicable tax laws and regulations;
- Ensuring that commercial transactions are efficiently structured for tax purposes, while complying with business purposes and all applicable tax laws and regulations;
- Managing Imerys SA group's tax risk (at compliance, planning and implementation level);
- Ensuring timely, accurate submission of all Imerys SA group company tax returns and making payment of liabilities by the due date.

The implementation of the Imerys SA group formal tax policy by the Imerys UK group in the UK is overseen by the UK Finance Director who reports directly to the Imerys SA group Tax Director. Significant tax risks are reported to relevant executives in the UK and to the Imerys SA Board of Directors.

Tax planning and tax risk

In operating its tax risk management and governance processes, the Imerys SA group has a low appetite towards tax planning and tax risk. The Imerys SA group does not enter into any artificial tax arrangements.

The Imerys SA group is committed to full compliance with its tax obligations in the UK and across the world, paying the right amount of tax at the right time. The Imerys SA group seeks to ensure that its tax arrangements remain consistent with a low risk rating under HMRC's Business Risk Review assessment, both in financial and reputational terms.

The UK tax legislation is highly complex and constantly changing. External tax advice is taken as appropriate to ensure that a correct analysis is made of proposed transactions or areas of changing or new legislation such that the tax consequences are understood.

Relationship with HMRC

The Imerys SA group engages with HMRC openly and constructively. There is open communication between HMRC and both the Imerys SA group and the UK subgroup and the key individuals have a constructive working relationship with the UK Group's HMRC Customer Compliance Manager ("CCM") and they actively seek to hold meetings with the CCM and their supporting specialists at the UK group's main area of operations or HMRC offices to maintain that relationship.

The Imerys SA group feels this is the best way to maintain a good working relationship. Where appropriate and possible Imerys endeavours to engage with HMRC on a real-time basis in any areas of material uncertainty, so as to minimise the tax risks and to provide greater certainty for both parties in advance of formal tax filings.

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