

Kaiser & Kraft Ltd UK Tax Strategy

Introduction

This document sets out the tax strategy pertaining to UK taxation for Kaiser & Kraft Ltd with the information required by Part 2 of Schedule 19 to Finance Act 2016.

The UK company is a wholly owned subsidiary of Franz Haniel & Cie GmbH, a company incorporated in Germany, which is required to publish a UK tax strategy. This UK tax strategy has been approved by the board of directors of Kaiser & Kraft Ltd and applies from the date of publication noted below until superseded or updated.

This UK tax strategy applies to the UK entities of the Franz Haniel & Cie GmbH group (hereafter jointly referred to as the "Group") at the date of publication.

Management & Governance

Tax is an important component in the business dealings of the Group. The Group takes its tax compliance responsibilities seriously and seeks to be compliant with tax legislation.

Accountability for the Group's tax affairs resides with parent company with responsibility delegated to the senior management of the UK company.

A number of key business, tax and other financial processes are in place, administered under a philosophy of strong controls on areas that include project approvals, reporting transparency and accuracy, and integrity and ethics. The Group is subject to the senior accounting officer rules, which require a senior member of the Group personally to oversee UK tax compliance. The Tax function is therefore well-placed to be aware of significant transactions or issues, and tax matters have appropriate interest and visibility at UK board level.

Tax Planning

Tax planning by the Group is focused on ensuring its wider business and commercial activities are tax efficient, with utilisation where appropriate, of available and intended legislative incentives, exemptions and reliefs. The Group strives to be a responsible corporate entity and does not seek to engage in artificial or contrived tax avoidance outside the intentions of Parliament where they are understood.

Risk Tolerance

The Group seeks to avoid material uncertainty or exposure to risk on tax liabilities. The Group will engage with HMRC on complex or specialist areas and where matters of uncertainty arise or where HMRC may interpret legislation differently, the Group may take external professional advice where necessary. Significant or potentially contentious matters are discussed in advance with executive UK management, and where appropriate, senior management of the Group's European parent company, before any action is taken.

Dealings with HMRC

The Group enjoys an open and transparent relationship with HMRC and adopts an approach of full disclosure in all communications with HMRC, including return filings. Potential issues or areas of uncertainty or contention are openly and timely raised with HMRC.