



## **OLEON UK Ltd**

# Tax Strategy – Year ended 31 December 2019

### **Introduction**

This document has been approved by the management committee of Oleon NV and its subsidiaries ("Oleon", the "group") which is in turn a subsidiary group of Avril SCA. It sets out the group policy and approach to conducting our tax affairs and dealing with tax risk as relevant to the UK entity Oleon UK Limited ("Oleon UK", the "Company"). This publication complies with the requirements of Finance Act 2016 Schedule 19.

We will review our tax strategy annually and any amendments will be approved by the group management committee. This current strategy is effective for the year ending 31 December 2019.

Oleon is the leading producer of oleochemicals in Europe, and a well-known producer and supplier in the American and Asian market. Oleon believes in the use of natural renewable raw materials. Oleon specializes in converting natural fats and oils into a wide range of oleochemical products. We are an international business, with operations, suppliers and customers all over the world. Our business activities are subject to various taxes, including corporate income taxes, employment taxes and property taxes. We also collect and pay employee tax and indirect taxes such as VAT. These taxes contribute to the societies where we operate.

### **Tax strategy**

The vision of Oleon is to be a leading global provider of oleochemical solutions to our clients worldwide by focusing on customer intimacy, innovation and sustainable development, while providing our employees with a safe and stimulating work environment.

Our aim is to pursue a principled and sustainable tax strategy that supports our business strategy and complies with the relevant laws.

Considering the limited business size and in view of the limited level of complexity in Oleon UK Ltd, the primary responsibility of the company with respect to all tax related matters is to ensure the compliance with all legal obligations within a framework of agreed principles.

## **Principles and attitude to planning**

Oleon conducts its tax affairs according to the following principles and objectives:

- The aim to comply with all relevant national laws, regulations and reporting requirements, wherever we operate.
- Oleon will seek to interpret tax legislation consistently with both the spirit and intention of the law and will not seek to exploit ambiguity. If the group does not have in-house resource for such interpretation it will seek clarity from relevant external providers.
- We do not adopt extreme or aggressive interpretations of law which by their nature have associated high risks of failure or reputational damage.
- We use incentives and reliefs efficiently where appropriate to sustainably support our business, reflecting the commercial substance of operations. We will not undertake transactions wholly motivated by tax avoidance or from which there is no economic benefit to the company other than tax savings.
- Management will not seek to exploit tax regimes considered to be harmful or secretive.

## **Risk management, governance and compliance**

It is the policy of Oleon to ensure that all tax positions taken are consistent with the group's vision and values which notably include respect for all relevant facts, respect for the environment and respect for people.

In an increasingly complex international tax environment, a degree of risk is inevitable and uncertain tax positions will arise. Tax risk can arise from unclear regulations, differences in interpretation, and the pace of a fast changing tax landscape.

The Company manages and assesses these risks via its local and corporate financial teams, who carry out a regular review of activities and processes to identify key risks and ensure mitigating controls are in place. These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required.

Diligent professional care and judgement will be employed to assess tax risk in order to arrive at well-reasoned conclusions on how the risks should be managed. Where appropriate this also includes obtaining external professional advice to support the company's decision making process and conclusions.

For the Oleon group, tax is part of local and corporate finance functions and is the ultimate responsibility of the CFO of Oleon (who reports to the main board of the group). For Oleon UK, this means that the tax strategy and policies (and compliance with them) are reviewed on an on-going basis by qualified in-house professionals at group level and by an external advisory firm.

Although there is a limited level of complexity for the Company, the Group seeks to minimize tax liabilities for the benefit of the stakeholders. The Company's policy is not to take an aggressive interpretation of tax legislation or use artificial tax avoidance schemes.

### **Working with tax authorities**

As a group, we seek to plan and manage our tax affairs efficiently in the jurisdictions in which we operate. In doing so we act in accordance with all relevant laws and disclosure requirements. In all countries we aim for a proactive, open and constructive relationship with the relevant tax authorities (in the case of the UK this is HMRC).

The relationship is based on integrity, honesty and mutual respect. We are committed to make fair, accurate and timely disclosure in correspondence and returns, proactive discussion to expedite settlement of tax matters, interpret the relevant laws in a reasonable way, and ensure transactions are structured consistently with a co-operative relationship.