## Prometeon Uk Group Tax Strategy

**Legal Background**

The Finance Act 2016 introduced into UK law the requirement for large businesses to publish their tax strategy. This document has been published in compliance with this legislation and represents the tax strategy of the Prometeon UK Group the members of which are listed below. This strategy is specific to the UK Group however it is consistent with the tax strategy of the wider Prometeon Group. This tax strategy was republished on 2/11/2022 and the Prometeon Group regards this publication as complying with its duty under paragraph 16(2) Schedule 19 FA 2016 in its financial year ending 31/12/2022.

**Uk Group**

This strategy has been implemented by all UK resident companies of the Prometeon Group of which the active entities are as follows:

Prometeon Tyre Group Uk Ltd

**Strategy**

Prometeon bases its Tax Strategy on the following principles:

**Transparency**

Prometeon is committed to transparency in its Tax Governance approach and its tax position. Public statements and disclosures on its tax situation and tax payments are made in accordance with the relevant domestic regulations, as well as the applicable reporting requirements according to international accounting standards and other international rules (such as IFRS, OECD Guidelines).

The Group refrains from the utilization of any offshore secrecy jurisdictions or tax havens for tax avoidance purposes. The Group’s tax planning is consistent with this responsible approach.

The Group aims to pay an appropriate amount of tax according to where value is created in the ordinary course of business activity. Any transfer pricing is always calculated using the ‘arm’s length’ principle.

**Compliance**

The Group is committed at all times to pay taxes in accordance with applicable tax laws and regulations of the countries where it operates, with the aim to comply with both the letter and the spirit of said laws and regulations.

Compliance and Corporate tax payment responsibilities and controls are subject to supervision by the Group’s external as well as internal auditors.

**Relationship with Tax Authorities**

Prometeon seeks to maintain a strong and mutually respectful relationship with local and international Tax Authorities, based on transparency and trust in any Country where it operates.

**Governance**

Prometeon believes that a coherent and responsible approach to Tax Governance is an essential element of its sustainable business development.

Prometeon’s Tax Governance framework benefits from a strong and independent internal control system and an advanced risk management system that are governed by the Board of Directors.

Ultimate responsibility for tax controls rests with the UK Directors who have appointed a Senior Accounting Officer to monitor compliance and adherence to Strategy.

Each department within the company will identify Process Managers who are responsible for:

* managing processes and executing controls which are relevant for tax compliance purposes;
* developing and implementing internal policies and procedures, aimed at ensuring that activities within managed processes are consistent with the Prometeon Tax Strategy;
* identifying changes in existing processes (driven by e.g. organizational changes and processes redesign), to be promptly communicated to Compliance and Tax Functions for assessing impacts on the Tax Strategy ;
* communicating extra-ordinary transactions that might have tax impacts and consequences to the CFO and Tax Functions .

Support to the Process Owners will be provided by the local Tax Team who will monitor the operation of the internal controls as well as providing updates on legislative changes.

**Attitude towards Tax Planning**

Prometeon recognizes the importance of contributing to the societies of which it forms part by the payment of its fair share of taxes; the Group will however take legitimate advantage of tax incentives offered by Governments when the commercial transactions of the Group are consistent with the qualification for such tax incentives.

Prometeon does not enter into transactions for the sole purpose of obtaining tax benefits.

**Risk Management**

Prometeon aims at all times to minimize tax risk arising within the Group.

Prometeon applies a number of mechanisms to manage this risk the most important of which are:

1. Internal Control Structures

Prometeon employs internal control systems to reduce risk of error and to highlight potential risk.

1. Advice and Guidance

Prometeon takes advice from external experts where required and consults guidance published by Tax Authorities including HMRC

1. Relationship with Tax Authorities

Prometeon aims to build a strong and transparent working relationship with Tax Authorities including HMRC. It is committed to prompt disclosure and a collaborative relationship which builds trust with Tax Authorities and reduces tax risk. Where uncertainty in the tax treatment of transactions could arise the Group engages with the Tax Authority to obtain either formal rulings or shared understandings. Where possible this is undertaken before the submission of the relevant tax return.