

2K Polymer Systems Limited (UK Subsidiary of Sealwood Ltd)

Sealwood Limited (UK Subsidiary of MiTek Industries Ltd)

2K Adhesive Systems Limited (Dormant Entity)

Tax Strategy – Financial Year Ended 31st December 2019

Introduction

We strive for high standards of governance and transparency in supporting our business strategic goals, which are to drive profitable growth and deliver sustainable returns to our shareholders.

Publication of this strategy is regarded as satisfying our statutory obligation under Para 16 (2), Schedule 19, Finance Act 2016 for the financial year ending 31 December 2019.

Approach to Tax Management and Governance

The UK Board of Directors oversees the UK tax strategy. Both our ultimate parent company, Berkshire Hathaway Inc., and our immediate parent company, MiTek Industries (UK) Ltd, require that we pursue a low risk tax policy and engage with Her Majesty's Revenue & Customs ("HMRC") in an open and honest manner.

We aim to manage our tax affairs in a way that is compatible with the requirements for HMRC's low tax risk classification by;

1. Being open and timely with HMRC about the management of all tax compliance risk.
2. Raising significant compliance issues, uncertainties and/or irregularities with HMRC as they arise.
3. Providing full, accurate and timely answers to HMRC queries.
4. We will use external tax advice to support our tax management and governance.

Attitude towards tax planning

We shall continue to strive to ensure all tax returns and the agreed tax payments are made within statutory deadlines and provide all relevant tax-related information and documents that may be required by HMRC on a timely basis. If we discover errors, we shall disclose them as soon as reasonably practical.

Level of tax risk the business is prepared to accept

We are required by both our ultimate parent company, Berkshire Hathaway Inc., and our immediate parent company, MiTek Holdings Inc., to follow a low risk tax policy.

Approach towards dealings with HMRC

As part of a larger UK tax group with a low risk policy, we will maintain an open and transparent relationship with HMRC and interact in a professional, courteous and timely manner.

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