Making circularity a reality

Kronospan – UK Tax Strategy

Financial year ending 30 September 2026

1. Introduction

This document sets out the tax strategy of Kronospan Holdings Limited and its UK subsidiaries in relation to UK taxation. It describes how we manage our tax affairs and tax risk, our attitude to tax planning, the level of tax risk we are prepared to accept, and how we work with HM Revenue & Customs (HMRC).

Kronospan Holdings Limited, as head of the UK group, regards the publication of this tax strategy as complying with its duty under Part 2 of Schedule 19 to the Finance Act 2016 for its financial year ending 30 September 2026.

This strategy was approved by the Board of Kronospan Holdings Limited.

2. Scope

In this strategy, “Kronospan”, “the Group”, “we” and “our” mean Kronospan Holdings Limited and all of its subsidiaries in the UK.

“UK taxation” means the taxes and duties listed in paragraph 15(1) of Schedule 19 to the Finance Act 2016 so far as they relate to the Group. These include corporation tax, VAT, PAYE income tax and National Insurance contributions, customs and excise duties, and stamp duty land tax. The Group’s commitment to compliance also extends to the other UK taxes, levies and duties for which it is responsible.

3. Governance and tax risk management

We take our obligations to report to tax authorities, and to collect and pay taxes, seriously. Our aim is to pay the right amount of tax, at the right time, in accordance with the laws and regulations under which we operate.

Our governance arrangements are as follows:

- **Board.** The Board of Kronospan Holdings Limited has ultimate responsibility for the tax strategy and for tax compliance. It approves this strategy each year and makes sure a suitable framework is in place to identify, manage and monitor tax risk.
- **Group Secretary.** The Group Secretary has executive responsibility for all tax matters and reports significant tax matters and risks to the Board.
- **Finance team.** Day-to-day tax matters are managed by suitably qualified and experienced finance staff, supported by external advisers where appropriate.
- **Senior Accounting Officer.** The Senior Accounting Officer is responsible for making sure appropriate tax accounting arrangements are maintained and certified to HMRC each year.

Kronospan is subject to a broad range of taxes. While tax risk cannot be eliminated entirely, we seek to identify and reduce it as far as is reasonably practicable through:

- documented processes and controls for tax-related transactions and returns, including the four-eyes principle, so that tax computations, returns and payments are reviewed by a second person before submission;
- allocating responsibility for each tax to a named process owner, with regular review of the controls in place;
- appropriate training for employees whose work affects tax data, activities and records;
- monitoring changes in tax legislation, guidance and case law and assessing their effect on the Group; and
- seeking external professional advice where an area is complex, uncertain or outside our in-house expertise.

We do not tolerate tax evasion or the facilitation of tax evasion by anyone acting on our behalf, in the UK or elsewhere.

4. Attitude towards tax planning

Tax planning means structuring and operating our business in a tax-efficient way within the law. Our tax planning is always driven by genuine commercial activity and follows these principles:

- We use tax incentives, reliefs, allowances and exemptions that are available to us, in the way Parliament intended.
- We do not enter into artificial or contrived arrangements, or tax avoidance schemes, whose main purpose is to obtain a tax advantage.
- Significant tax planning, and any transaction with material tax consequences, is taken to the Board for approval, together with a review of the related tax risks.
- We use external tax advisers where we need specialist technical expertise, for example on complex transactions, new legislation or areas of legal uncertainty.

5. Level of tax risk we are prepared to accept

Kronospan has a low appetite for tax risk. We aim to file accurate returns on time and to pay the right amount of tax.

Tax law is complex, and its application to a particular transaction is sometimes uncertain. Where there is significant uncertainty, we take professional advice and, where appropriate, seek clarification from HMRC before we act. We will only adopt a tax position where we believe, on the basis of the facts and advice available, that it is more likely than not to be correct.

The level of risk is assessed by the Group Secretary and the finance team, and any material uncertain tax position is reported to the Board for consideration. In deciding the level of risk we are prepared to accept, we take account of the interests of our shareholders and other stakeholders, including our employees, customers, suppliers and the communities in which we operate, and the importance of maintaining our reputation and our relationship with HMRC.

6. Relationship with HMRC

We aim to maintain a professional, courteous and collaborative relationship with HMRC, based on openness, transparency and mutual trust. In particular:

- we submit returns, make payments and respond to correspondence, queries and requests for information on time, accurately and openly;
- we make HMRC aware of significant transactions and changes in our business, and disclose any errors promptly once we identify them;
- where a tax treatment is uncertain, we discuss it with HMRC at an appropriate level to seek clarification, ideally before the transaction or return; and
- if a dispute arises, we work with HMRC to resolve it promptly and constructively, aiming for early agreement.

7. Approval and review

This strategy is reviewed and approved by the Board of Kronospan Holdings Limited every year, and sooner if there is a significant change in our business or in tax law. It will remain available on our website, free of charge, until the next strategy is published.