

## **Ingevity UK Ltd. – UK Tax Strategy**

*Ingevity UK Ltd. considers that the publication of this document fulfils its duty to comply with Paragraph 22(2), Schedule 19, Finance Act 2016 (“Qualifying companies: duty to publish a company tax strategy”) for the year ended 31 December 2020.*

*This document was approved by the Board of Ingevity UK Ltd. on 17 December 2020 and published before the end of the fiscal year.*

Ingevity’s Tax Strategy is guided by an overall adherence to corporate responsibility and full compliance with tax law as a corporate member of the community while serving the interests of its customers, employees, creditors and stakeholders. This policy applies to Ingevity UK Ltd. and covers the following key components:

### **a) Risk Management and Governance**

Tax risk can arise from unclear laws and regulations as well as differences in interpretation.

Ingevity is committed to complying with all tax laws in the jurisdictions where it operates, including the UK. We maintain robust internal procedures and processes to support our global tax control framework and employ appropriately qualified and experienced personnel to properly identify, evaluate and manage tax risk. Professional care and judgment are employed to assess tax risks in order to arrive at well-reasoned conclusions on how the risks should be managed.

Our tax function maintains a close working relationship with our business in the UK and provides the appropriate guidance to ensure compliance with the UK tax laws. Engagement with stakeholders ensures that tax risks are identified in a timely manner and any appropriate mitigating action is undertaken. This results in an open and transparent environment within which tax risk can be managed.

On an annual basis, the Vice President of Tax gives a full tax presentation to the Board.

### **b) Attitude towards Tax Compliance and Planning**

Ingevity is committed to being a responsible corporate citizen and we believe it is critical to fully comply with applicable tax laws and to pay the appropriate amount of tax in the jurisdictions in which we conduct business for the benefit of those economies. This applies to the UK.

As described in our approach to Risk Management and Governance, we review our commercial activity to determine the UK tax consequences and treat tax costs as a regular cost of doing business. In structuring our business activities, we consider relevant tax laws and utilize available tax reliefs and incentives to add value for our investors and

stakeholders. However, we do not compromise our integrity, values and reputation by risking, amongst others, regulatory non-compliance.

We fully support and comply with initiatives to improve international transparency on taxation matters, including OECD measures on country-by-country reporting and automatic exchange of information.

**c) Approach to Tax Risk**

As a large, multinational organization, Ingevity can be exposed to tax risk. We take a responsible approach to tax risk and treat tax risk in line with other business risks. Where such risks arise, they are identified, evaluated and managed in a proactive manner. We monitor operations, tax structure and arrangements so that they comply with changing tax laws and regulations. We consult with external advisors when there is uncertainty as to the proper interpretation or application of tax laws or regulations related to a material transaction.

**d) Relationship with HMRC**

We engage and contact HMRC with honesty, respect, fairness and integrity, and always try to work in a spirit of co-operative compliance. We will not take positions on tax matters that may create reputational business risk or our good co-operation with tax authorities, domestic and international.

As a responsible taxpayer, Ingevity UK Ltd. does not engage in aggressive tax planning, tax avoidance schemes or offshore tax structures to artificially reduce the amount of UK tax it pays. We strive to be open with HMRC, to provide prompt and up-to-date information about how we manage our tax responsibilities, and to ensure our relationship with HMRC is efficient and effective for both parties.