



## **Continental - Specialised Belting Supplies Ltd UK Tax Strategy**

**Tax Policy : Financial year ending 31 December 2019**

**Date of Publication : 23.11.2019**

This policy applies to Specialised Belting Supplies Ltd (SBS Ltd)

This document will be owned by the Board of SBS Ltd and the Senior Management Team of SBS Ltd. It will be reviewed annually by the Finance Director, for approval by Managing Director, and any proposed changes will be discussed and approved by the Senior Management Team and the Board of SBS Ltd.

### **How the Company manages its UK tax risks**

The SBS's appetite for risk is a carefully calibrated part of the business model aligned to the strategic and Continental AG Group corporate objectives. The aim is not to avoid or eliminate risk entirely, but to strictly manage the SBS's exposure to risk wherever possible in a balanced and as controllable manner as possible.

The Finance Director has ultimate responsibility for the tax affairs of the companies at Board and Senior Management team level and provides updates to them as necessary on the tax affairs and risks of SBS Ltd to ensure the proper control and management of tax risks.

Where there are areas of uncertainty or higher complexity in relation to a risk advice will be sought from external tax advisors to ensure that the tax issue is appropriately dealt with, however, full ownership of the final tax position remains with the Company.

### **The Company's attitude to UK tax planning**

SBS Ltd will not undertake tax planning where it is likely to be considered aggressive by HMRC and/or by other tax authorities. Only routine tax planning, which has a high likelihood of being accepted by the relevant tax authority, would be considered. Any planning undertaken would be fully disclosed to the relevant tax authority and would be undertaken using analysis and/or advice by SBS's tax advisers. We also seek to interpret tax legislation both within the spirit and intention of the law.

### **The Company and its UK tax risks**

Given the activities of the company and the volume of tax obligations, tax risks will inevitably arise from time to time. We actively seek to identify, evaluate, monitor and manage these risks to ensure they remain in line with the company's objectives and broad attitude to risk.

### **Commitment to Compliance**

We are committed to comply with all UK tax legislation. Compliance for us means paying the correct amount of tax at the correct time, disclosing all relevant information to the tax authorities and claiming reliefs and incentives where applicable.

### **Working with HMRC**

SBS Ltd will comply with all relevant legal disclosure and approval requirements and all information will be clearly presented to HMRC as appropriate. We engage with HMRC with honesty and integrity and in an open and transparent manner. We actively engage with our CRM on a real time basis on any material tax points to the group and any areas of uncertainty on interpreting tax law are discussed with them in advance. The strategic aim is to avoid unnecessary disputes with HMRC and thus minimise tax risk.

This paper sets out the tax strategy of the company, and in making this strategy available is fulfilling its responsibilities under Schedule 19 of the Finance Act 2016.