Tax Policy for Lonza UK

Updated February 2020

This document sets out Lonza’s strategy and approach to tax, to the extent that it relates to or affects UK taxation for the year ending 31 December 2020. This document is produced in accordance with the requirements under Schedule 19 of the Finance Act 2016, and applies to all Lonza affiliated entities in the UK, which are included in an appendix to this document.

Lonza strives to be compliant with all local tax rules and procedures in every jurisdiction in which it operates. Our businesses pay tax to local and national governments including corporate tax, indirect taxes (such as VAT, sales tax), social tax, local tax, property tax, customs and excise duties, withholding taxes and environmental taxes.

The principles governing the management of our UK tax affairs are fully aligned with our wider commercial, reputational and business practices and are consistent with Lonza’s commitment to corporate responsibility. This means we:

- Comply with applicable tax laws, rules, regulations and disclosure/reporting requirements;
- Pay the right amount of tax based on applicable tax laws, rules and regulations;
- Interpret tax law using relevant (external) guidance and discussing such interpretation with tax authorities where appropriate;
- Manage our tax affairs whilst seeking to enhance shareholder value and ensuring the wider reputation of the Lonza Group is not compromised;
- Only undertake tax planning based on genuine commercial and business rationale;
- Seek to have constructive and transparent working relationships with tax authorities based on mutual respect and trust;
- Manage and monitor compliance with these tax principles.

Lonza employs professionals with suitable experience and qualifications, and the UK team is further supported by the global tax team. The local finance team keeps up to date with tax law through appropriate training. External advice is sought from reputable law and accountancy firms on complex matters. The tax policy of Lonza’s UK based companies will be regularly reviewed and updated, in line with relevant business and regulatory changes.
Appendix – List of affiliated UK entities

Arch Biocides Trustee Limited
Arch Chemicals Products Limited
Arch Chemicals UK Finance Limited
Arch Chemicals UK Holdings Limited
Arch Timber Protection Limited
Arch UK Biocides Limited
Hickson Chemical Supplies Limited
Hickson International Limited
Hickson Investments Limited
Hickson Limited
Hickson Pension Trustees Limited
Hickson Timber Products Limited
Hickson W.A Chemicals Limited
Lonza Biologics Plc
Lonza Group UK Limited
MW Encap (Holdings) Limited
MW Encap Limited
Xcelience Clinical Services Limited