

HILLENBRAND

Hillenbrand UK Tax Strategy

In compliance with section 161 and section 19(2) of schedule 19 Finance Act 2016, the company is publishing its tax strategy. Hillenbrand, Inc. is the US parent company of the UK sub-group, we confirm that this strategy will apply to the following UK companies as well as any other related businesses operating within the UK:

- Rotex Europe Ltd
- Rotex Japan Ltd
- Coperion K-Tron Great Britain Ltd
- Coperion Ltd
- Mold Masters DME UK Ltd
- Mold-Masters (UK) Ltd
- Hillenbrand UK Holdings Ltd.
- Baker Perkins Limited
- Process Components Limited
- Baker Perkins Holdings Ltd
- Unifiller Systems UK, Ltd.

Our business has a strong focus on corporate responsibility, and we see responsible administration and payment of taxation as a responsibility of our business. This document sets out the strategic objectives of Hillenbrand and its UK subsidiaries (“the Group”). This document is not designed to be an operational manual with detailed instructions underlying processes and controls.

Our overall tax strategy is to:

- Meet all legal requirements and to file all appropriate tax returns and remit the appropriate tax payments in a timely manner.
- Seek to maintain a conservative approach to tax planning and utilize available tax reliefs and incentives where available in a manner which is consistent with the government’s policy objectives.
- Consider the tax impact of major or complex business decisions and institute appropriate tax planning where appropriate.
- Operate in an environment where we consider tax in the context of our reputation and branding.
- Comply with appropriate tax risk processes and ensure there is oversight into this compliance.

Risk management and governance arrangements

We want our tax affairs to be transparent and compliant with tax legislation and recognize that managing tax compliance is increasingly complex. Our internal structure is set up to ensure:

- Management of the Group understands the importance of tax compliance, and how it is achieved.
- There is a constant dialogue between Management and those individuals tasked with the operation of our finance function regarding the way our business manages its tax risk.

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- The business portrays a positive view towards tax compliance and the importance of meeting our obligations.

We keep under review how we meet our tax obligations, by seeking external tax advice, investing in tax training for our staff and how we manage our relationship with tax authorities.

Tax planning

Tax planning decisions will be made in a manner which is consistent with and complements the Group's overall business strategy. Professional advice is sought on a transactional basis, with the depth of such advice being driven by our assessment of the risk presented by each opportunity.

All transactions entered into by the group are undertaken for business and commercial reasons and the group does not implement artificial structures solely for the purposes of minimizing its tax liabilities. Furthermore, intra-group transactions are entered into on an arm's length basis that reflect business and commercial realities of the transaction.

Attitude towards risk

Management sees compliance with tax legislation as key to managing our tax risk. We understand the importance of tax in the wider context of business decisions and have processes in place to ensure tax is considered as part of our decision-making process.

We have relationships with professional advisers that allow us to seek expert advice on specialist areas of tax. Our approach is to observe all applicable laws, rules, regulations, and reporting and disclosure requirements.

Management is conscious of potential negative publicity attracted by a bad attitude towards tax and sees strong internal processes and a good relationship with our professional advisers as the best way to manage this reputational risk.

Relationship with HM Revenue & Customs (HMRC)

Our communication with HMRC is focused around meeting relevant tax filing and payment deadlines for which the company is responsible.

We employ the services of professional tax advisers to act as our agents, and in a number of cases they liaise with HMRC on our behalf. This is seen by Management as a way to ensure we get the most out of our relationship with HMRC, thus reducing our tax risk.