UK Tax Strategy for BioMar Ltd.

BioMar Group is a leading global feed supplier in the aquaculture industry and supplies high performance diets for more than 45 different fish and shrimp species in more than 80 countries.

BioMar Group A/S legally owns BioMar Ltd., which is based in Grangemouth, Scotland, and produces feeds primarily for the Scottish aquaculture industry.

The ultimate owner of BioMar Ltd is the conglomerate, Schouw & Co., listed on the Danish stock exchange. Based on this ownership, BioMar Ltd. is required to publish its tax strategy under paragraph 16 (2), schedule 19 of the Finance Act 2016.

This tax strategy document sets out the principles governing the management of BioMar Ltd.’s tax matters and the strategy for delivering against those principles.

‘Tax’ refers to all taxes and duties comprised by UK taxation as well as all corresponding worldwide taxes and duties for which BioMar Ltd. has legal responsibilities.

Governance concerning UK taxation

The responsibility for the overall tax and risk strategy applicable to BioMar Ltd. is borne by Schouw & Co. in Denmark.

The responsibility related to day-to-day management and compliance with UK tax laws and legislation lies with the appointed Managing Director of BioMar Ltd.

Tax compliance and risk management

BioMar Ltd. is committed to full compliance with local and international tax law. This comprises:

- Filing timely and accurate tax returns;
- Full disclosure of the relevant facts in order to enable the tax authorities to form an accurate view of the tax matters of the business;
- Report tax affairs in ways that reflect the economic reality of the transactions that it undertakes in the course of business;
- Retention of appropriate documentation in relation to tax compliance filings and support for transactions for the required statutory time limit.

To reduce the inherent tax risk of BioMar Ltd., reasonable care is applied in relation to all processes which could materially affect its compliance with tax obligations. Local advice from external tax advisers is also taken where necessary to ensure all local compliance requirements are met.

BioMar Ltd. continuously aims to apply best practice and believes that a responsible approach to tax is essential for the sustainability of the business and its continued existence.

Approach to tax planning and tax risk

For BioMar Ltd., business considerations are the most important decision-making parameter when considering and undertaking a transaction.

BioMar Ltd. considers tax as an expense on par with all other expenses, which are thought minimized, while the letter of the law and the legislators’ intention of the law is observed and compliance with both national and
international tax legislation is ensured. Hence, in line with applicable UK tax legislation, BioMar Ltd. may seek to take advantage of available tax reliefs, incentives and exemptions.

BioMar Ltd. applies OECD Guidelines and UK tax legislation on intercompany transactions with other BioMar entities.

BioMar Ltd. will not engage in any artificial transactions with the sole purpose of avoiding or minimizing UK tax, if the underlying commercial objectives do not support the position, or if the arrangements have a negative impact on BioMar Group’s or BioMar Ltd.’s reputation, corporate or social responsibilities.

When making decisions concerning tax matters, BioMar Ltd. considers the materiality of any item, as well as the costs of mitigating the risks. The amount of acceptable tax risks is evaluated on a case by case basis.

Where uncertainty over interpretation of tax law arises, BioMar Ltd. will consult external advisers and/or HMRC to resolve or minimize the uncertainty and tax risk.

Relationship with HMRC

BioMar Ltd. will act in a professional and constructive manner in its interaction with HMRC and commits to an open dialogue with HMRC particularly on material tax matters with the purpose to minimize uncertainty and risks.

If disputes arise, BioMar Ltd. will seek to work in a collaborative manner to agree on the facts and set out the technical position with HMRC as quickly and efficient as possible.

Approval and validity

This UK tax strategy covering BioMar Ltd. relates to the financial year ending on 31 December 2020 and was approved by the Patrick James Campbell, Managing Director.