

UPM-Kymmene (UK) Limited

UPM-Kymmene (UK) Holdings Limited

UPM Raflatac (UK) Limited

UPM Wood Materials (UK) Limited

Grafityp (UK) Limited

Publication of UPM Tax Strategy in Accordance with Instructions from HM Revenue & Customs

December 2024

This document outlines the tax strategy of UPM-Kymmene (UK) Limited, UPM-Kymmene (UK) Holdings Limited, UPM Raflatac (UK) Limited, UPM Wood Materials (UK) Limited and Grafityp (UK) Limited ('UPM UK companies') in accordance with the requirements of Paragraph 16(2) of Schedule 19 of the UK Finance Act 2016. It applies to all UK taxes and is reviewed and approved annually by the Board of each company.

[UPM-Kymmene Corporation](#)

UPM UK companies are ultimately wholly owned subsidiaries of UPM-Kymmene Corporation.

UPM-Kymmene Corporation publishes a tax strategy which the UPM UK companies comply with. Based on the standards of the UPM Code of Conduct, the UPM tax strategy describes the main principles and guidelines for UPM's taxation. This tax strategy is published on the UPM website:

[UPM tax strategy](#)

UPM's tax strategy is supported by internal instructions, benchmark analysis of best practices and related internal controls. Tax matters at UPM are managed by UPM's own tax function, which is complemented by third-party tax services to comply with local tax reporting and filings as well as other requirements.

As mentioned in the tax strategy, it is further complemented by UPM's Tax Risk Management Instructions which include definitions of the various roles and responsibilities related to taxation within UPM.

UPM's tax strategy is further described in UPM's Annual Report 2023:

[upm-annual-report-2023.pdf](#)

Specifically, the Annual Report describes:

- How, as an integral part of its strategy, UPM creates value for the society. Both as a responsible company and through its renewable and sustainable solutions (pages 30-33)
- The Risks and Opportunities of UPM's operating environment (pages 34-35)
- How UPM reports and pays its corporate income taxes (pages 80-81)

UPM-Kymmene (UK) Limited, UPM-Kymmene (UK) Holdings Limited, UPM Raflatac (UK) Limited, UPM Wood Materials (UK) Limited and Grafityp (UK) Limited ('UPM UK companies')

Management of UK tax risks:

- Tax risks are identified, assessed, and monitored through our internal risk management framework
- Clear processes and controls are in place to ensure tax risks are appropriately managed and aligned with our overall risk management framework

Attitude towards tax planning:

- UPM do not transfer any value created or have any investments in production or service operations in jurisdictions defined by the Council of the European Union as non-cooperative jurisdictions for tax purposes, or in any similar secrecy jurisdictions
- We engage in responsible tax planning aligned with our commercial objectives
- UPM pay corporate income taxes in the countries where added value is created and profit is generated

Describing the approach of the UPM UK companies towards their dealings with HM Revenue & Customs, the companies:

- Are committed to open and collaborative relationships at all times with HMRC, through regular dialogue with its Customer Compliance Manager (CCM) and relevant specialists within HMRC
- Notify HMRC on a timely basis of any material transactions
- File all returns in a timely and accurate manner
- Respond to all requests from HMRC in a timely and open manner
- Proactively seek to identify, evaluate, manage and monitor potential tax risks that may arise in the Global environment the company operates in
- Have recognised the HMRC 'Government guidance for the corporate offence of failure to prevent the criminal facilitation of tax evasion' in order to have reasonable prevention procedures and systems that would identify and mitigate those risks