



UK Tax Strategy For The Year Ended December 31, 2020

Scope of Strategy

Pursuant to UK legislation introduced as part of Schedule 19 of the Finance Act 2016, effective for the year ended December 31, 2020, the Winpak Group is required to publish our UK's business's tax strategy. The strategy described in this publication applies to Winpak Portion Packaging - UK branch, hereinafter referred to as WPP UK.

The Winpak Group of companies consists of 14 legal entities throughout North America and is headed up by Winpak Ltd., located in Winnipeg, Canada. The Winpak Group's operations are organized into three segments: rigid packaging and flexible lidding, flexible packaging and packaging machinery. The rigid packaging and flexible lidding segment includes the following product groups: rigid containers, lidding and specialized printing. The flexible packaging segment includes the following product groups: modified atmosphere packaging, specialty films and biaxially oriented nylon. Two of the legal entities, Winpak Portion Packaging Ltd. in Canada and Winpak Portion Packaging, Inc. in the United States make up the rigid containers product group, referred to as Winpak Portion Packaging. WPP UK is a branch of Winpak Portion Packaging Ltd. The ultimate majority shareholder of the Winpak Group is Wihuri International Oy, domiciled in Helsinki, Finland.

This strategy applies from the date of publication until it is superseded. References to 'UK Taxation' are to the taxes and duties set out in paragraph 15(1) of the Schedule which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, and Stamp Duty Land Tax. References to 'tax', 'taxes' or 'taxation' are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which the Group has legal responsibilities.

Aim of Tax Strategy

WPP UK, in accordance with the Tax Policy of the Winpak Group, is committed to full compliance with all statutory obligations and full disclosure to the relevant tax authorities. The Company's tax affairs are managed in a way which takes into account the Company's and the Group's wider corporate reputation and responsibility in line with the Company's and the Group's overall high standards of governance.

Governance in Relation to UK Taxation

- The Board of Directors of Winpak Ltd. have the ultimate responsibility for tax strategy and compliance, including all the legal entities within the Winpak Group;
- The Vice President and Chief Financial Officer of Winpak Ltd. has ultimate executive responsibility for tax matters in the Winpak Group;

- The Director of Finance of Wipak Portion Packaging is responsible for organizing the administration of WPP UK, including the day-to-day management of tax affairs;
- The accounting and finance department of Wipak Portion Packaging is staffed with appropriately qualified individuals;
- The Wipak Group engages external tax advisors, where appropriate, to ensure tax rule compliance and appropriate tax risk management;
- The Information Management functions of the Wipak Group maintains and controls the ERP, accounting and other systems of the Company, including the internal controls and risk management framework therein, expressly including those elements relating to taxation;
- The Internal Audit function of the Wipak Group monitors, controls and verifies the ERP, accounting and financial reporting systems, internal controls and risk management framework therein, expressly including those elements relating to taxation;
- The Corporate Finance function of the Wipak Group monitors and controls transfer pricing compliance;
- The Board of Directors of Wipak Ltd. ensures that the Company's tax strategy is one of the factors considered in all investments and significant business decisions taken.

Wipak Group Tax Policy

The Wipak Group aims to advance its business purposes in the three segments in which it operates. The primary targets in each segment include purely business driven targets to advance the business performance in its field of operations. The Wipak Group's Tax Policy aims to support the segments to meet any fiscal obligations associated with their operations. The Tax Policy is risk averse and no tax risks threatening the segments to meet their business related targets shall be entered into.

The following additional principles prevail:

1. Business Driver Priority

Business drivers are the primary drivers for any transactions. No transactions shall be executed with the sole purpose to advance any tax optimization purposes.

2. Tax Law Compliance

Local tax and other legislation and other rules shall always be complied with in any transactions. Transactions not in accordance with local law and other rules shall not be entered into. Tax evasion in any form is not allowed.

3. Arm's Length Compliance

Transactions between related parties shall always be executed in accordance with arm's length principles. The arm's length price depends on facts and circumstances, and shall be determined using all relevant information reasonably available and pertaining to the transaction.

4. Tax Haven Avoidance

Transactions with parties taking advantage of tax havens shall be avoided.

5. Tax Planning Allowance

Tax planning using purely legal, allowed and appropriate measures and methods to regulate taxable results or taxable values is generally allowed. Any tax planning shall be in balance with the Winpak Group's Tax Policy and these principles. Advance ruling from tax authorities or advance consultation with external tax advisors shall be used, if needed, to ensure legal compliance and allowance of the planned measure.

WPP UK Risk Management Principles

The level of risk which WPP UK accepts in relation to UK taxation is consistent with the Winpak Group's overall objective of achieving certainty in the Group's tax affairs. The Company's Tax Policy in the UK is risk averse, and no tax risks threatening the Company to meet its business related targets shall be entered into.

WPP UK enters into transactions solely on the basis of commercial business reasons. When entering into such transactions, the Company seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. WPP UK manages tax risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax. WPP UK does not undertake tax planning measures unrelated to commercial business transactions. The Company also undertakes not to carry out measures that are illegal, inappropriate or in other respects not in line, or in the spirit of, tax legislation.

WPP UK in line with principles applied in the Winpak Group, operates a system of integrated internal control framework including business processes, an ERP-system, as well as accounting, financial reporting and controlling systems. Tax risk assessment and controls are integral components of such an integrated internal control framework.

WPP UK seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations. Processes relating to different taxes are allocated to appropriate process owners, who carry out a review of activities and processes to identify key risks and mitigating controls in place. These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required. The processes associated with ERP, accounting or other systems are common to all Winpak Group companies. Reviews of activities and processes are executed in cooperation with the respective process owners and persons in charge at the Winpak Group level.

In relation to any specific issue or transaction, the Director of Finance of Winpak Portion Packaging, the Vice President and Chief Financial Officer of Winpak Ltd., and ultimately the Board of Directors of Winpak Ltd. are responsible for identifying the risks, including tax risks, which need to be addressed and for determining what actions should be taken to manage those risks, having regard to the materiality of the amounts and obligations in question. They are also responsible in ensuring the competence of the employees within

and outside accounting and finance departments directly or indirectly managing and processing matters which have or may have tax implications is continuously maintained and promoted through appropriate training and, if so required, complemented with support by external advisers to ensure the tax risks are properly and instantly identified and duly addressed.

Relationship with tax authorities

WPP UK seeks to have a transparent and constructive relationship with tax authorities through regular meetings and communication in respect of developments in the Company's business, current, future and retrospective tax risks, and interpretation of the law in relation to all relevant taxes.

WPP UK ensures that tax authorities are kept aware of significant transactions and changes in the business and seeks to discuss any tax issues arising at an early stage. When submitting tax computations and returns to tax authorities, the Company discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain. Any inquiries from tax authorities concerning the tax issues of the Company are attended without undue delay and responded in a transparent and undisguised manner.

Any inadvertent errors in submissions made to tax authorities are fully disclosed as soon as reasonably practicable after they are identified.