

UK GROUP TAX STRATEGY

This is the UK tax strategy for each UK subgroup, UK qualifying company, UK permanent establishment and UK partnership within the Precision Castparts Corp. (“PCC”) group of companies. Publication of this strategy is considered as satisfying both Para 19(2) and Para 22(2), Schedule 19 of the UK Finance Act 2016 in respect of PCC's financial year ending 31 December 2023.

Governance

PCC maintains internal policies and procedures to support its tax control framework and manage tax risk. The Chief Financial Officer and Vice President - Taxes have the ultimate responsibility for tax risk, while each local UK Finance Director is responsible for the day-to-day management of the UK tax risks and have support from external tax advisors and the PCC corporate tax department.

Relationship with His Majesty’s Revenue & Customs

- Both PCC’s ultimate parent company, Berkshire Hathaway Inc., and PCC pursue a low risk tax policy and engage with His Majesty’s Revenue & Customs (“HMRC”) in an open and honest manner.
- We actively seek open dialogue with HMRC and provide all relevant information that is necessary for HMRC to review possible tax risks, working collaboratively with HMRC to achieve early agreement on disputed issues wherever possible.
- We never deliberately conceal or knowingly misrepresent issues to HMRC. If we discover errors, we disclose them as soon as reasonably practical.
- We manage our tax affairs responsibly and transparently and in a way that is compatible with PCC’s Code of Conduct by:
 - ✓ Being open and timely with HMRC about the management of all tax compliance risk.
 - ✓ Raising significant compliance issues, uncertainties and/or irregularities with HMRC as they arise.
 - ✓ Striving to provide full, accurate and helpful answers to HMRC queries.
 - ✓ Maintaining clear accountabilities up to and including the Board of Directors for the management of tax compliance risk and tax planning.

Tax Planning

PCC seeks to comply with all tax rules and regulations on a worldwide basis and only engages in tax planning that is aligned with its commercial business activities and has economic substance. We utilize certain reliefs and incentives that may exist and show respect for the intent as well as the letter of the law. We only adopt a tax planning position that we believe is more likely than not to be settled in our favor following full disclosure of relevant facts. At times, external tax planning advice may be sought for unusual or complex transactions and to assist in forming an opinion on potential uncertain positions.

Tax Risk

- PCC complies with tax laws and legislation via a strong system of internal governance that requires well documented internal processes and controls, using appropriately qualified and experienced staff.
- We strive that all tax returns and the agreed tax payments are made within statutory deadlines and provide all relevant tax-related information and documents that may be requested by HMRC on a timely basis.
- We ensure all decisions are taken at an appropriate level, with diligent professional care and judgment and supported with documentation that evidences the facts, conclusions and risks involved.