



## **TAX STRATEGY**

SIG is a leading distributor of specialist building products in Europe. As a UK listed company, the Group has an obligation to maximise shareholder value and to manage financial and reputational risk. Our approach to taxation supports these obligations.

The Group's approach to its worldwide tax affairs is to act in a responsible manner and in accordance with the laws and objectives of the territories in which we operate. The Group seeks to pay, at the right time, the correct amount of taxes due, both direct and indirect, in accordance with all relevant tax laws and regulations in all jurisdictions in which the Group operates.

## **SCOPE**

This Tax Strategy is applicable across the SIG Group and applies to all employees and Directors and addresses the management of all tax risks arising for the Group.

This Tax Strategy is prepared in accordance with paragraph 15(1), Schedule 19, Finance Act 2016. The Taxes covered include (but are not limited to) income taxes, corporation tax, indirect taxes, employment taxes, property taxes and customs and excise duties.

## **MANAGING TAX RISKS**

The Board has overall responsibility for managing and controlling risk, including tax risk, within the Group. The Group Board recognises the importance of tax risk management as part of the day-to-day management of the business. The Group has a Tax and Treasury Committee that provides regular updates to the Board, which enables the Board to consider the tax implications of significant strategic decisions on a timely basis.

The Group's tax risks are managed through the following:

- SIG operates a Board approved Group Tax Policy providing guidelines on how each Group company should conduct their tax affairs. The Group Tax Policy is designed to ensure that each business applies a consistent and diligent approach to taxation in all territories.
- SIG ensures that a culture of understanding the tax impact of transactions is projected through local operations.



- SIG seeks to reduce the level of tax risk arising from its operations by ensuring reasonable care is applied to all processes that affect tax compliance.
- As part of the Group's wider risk management processes, SIG undertakes reviews of activities and processes to identify the key risks and controls on which its assessment of the right tax to pay relies. The key tax risks and controls are monitored and updated where appropriate.
- SIG ensures that specialist tax advice is sought where appropriate.

The Group's Tax Policy sets out the responsibilities of: the Board of Directors; the Audit Committee; the Tax and Treasury Committee; the Chief Financial Officer; and the Finance Directors, all of whom have a responsibility to ensure that the Group's Tax Strategy is adhered to and that the principles set out in the Group's Tax Policy are followed.

### **ATTITUDE TO TAX PLANNING**

SIG manages tax risks to ensure payment of the right amount of tax and compliance with local tax regulations.

In structuring the Group's commercial activities relevant tax laws will be considered. The commercial needs of the Group are paramount and any tax structuring undertaken will be aligned with the commercial motivation. Where tax reliefs and incentives are available to support our business they will be claimed in the manner intended.

### **TAX ADVISORS**

The Group takes appropriate advice from reputable professional advisers to ensure compliance with applicable rules and regulations, and to consider potential mitigating actions in order to manage tax risks.

In particular, tax advice is obtained on complex or material transactions outside of the day-to-day activities of the Group, to ensure compliance with tax laws and that transactions are correctly reflected and disclosed in the appropriate tax filings.

### **RELATIONSHIPS WITH TAX AUTHORITIES**

The Group pro-actively manages relationships with tax authorities, aiming to maintain transparent and constructive relationships, to comply fully with regulatory obligations and to



uphold its reputation as a responsible corporate citizen. The Group will share and disclose information as requested.

Where there is ambiguity in the application of tax legislation the differing views may lead to a dispute. Should a tax related dispute arise then SIG aims promptly to address and resolve the issue with the relevant tax authority in a responsible, cooperative and timely manner.

### **APPLICATION OF THE TAX STRATEGY AND BOARD APPROVAL**

The Tax Strategy was approved by the Board of SIG plc on 15 December 2022 and was published via sigplc.com on 22 December 2022\*.

The Tax Strategy applies from the date of publication to the date it is superseded and will be reviewed annually.

### Footnotes

\*SIG plc regards this publication as complying with the duty under paragraph 16(2), Schedule 19, Finance Act 2016 in respect of the financial year ended 31 December 2022.