

HETTICH UK – 2024 TAX STRATEGY

Introduction

In compliance with paragraph 16(2) of Schedule 19 of the Finance Act 2016, the company is publishing its tax strategy for the year ending 31. December 2024. Our UK companies are part of the Hettich group; the head of the group is Hettich Holding GmbH & Co. oHG, Kirchleugern, Germany. The Hettich group satisfies the OECD's CBCR framework threshold of a global turnover of more than EUR 1,339 million. As the head company of the UK sub-group, we confirm that this strategy will apply to the following UK companies:

Hettich UK L.P.

Hettich UK Limited

Anton Hettich Auslandsbeteiligungs-Verwaltungs GmbH

Our Business and Organization's Structure

Hettich is one of the world's largest manufacturers for furniture fittings. Every day, over 7.800 members take up the challenge of developing and producing intelligent technology for furniture. The home of the family-owned business is Kirchleugern, Germany. Hettich UK is one of our subsidiaries and partner agencies as well as production sites in America, Europe and Asia. Our goal is to be never far from our customers wherever they are in the world. Hettich UK is preoccupied with marketing and sales of Hettich products within the United Kingdom and is entirely supplied by the global Hettich production and sourcing network.

Our Policies and overall tax strategy

As a family-owned company, we concentrate on accomplishing long term corporate objectives independently of outside interference. We understand lawful and ethical conduct at home and abroad to be the key to real, sustainable success. We set priorities in ecology, social and civic responsibility as fields of action in which we aim to define a sustainable way forward that will give the company economic prosperity. Whoever does not conform to these obvious virtues would tarnish the company principles and the success of the entire organization.

Our overall tax strategy is to:

- Meet all legal requirements and to make all appropriate tax returns and tax payments.
- Seek to utilize available tax reliefs and incentives where available in a manner which is consistent with the government's policy objectives.
- Consider the tax impact in major or complex business decisions, for example acquisitions.
- Operate in an environment where we consider tax in the context of our reputation and brand.

- Comply with appropriate tax risk processes, and ensure there is Board oversight into this compliance.

We will continue to update our policies and procedures as required to meet all legal requirements and to make all appropriate tax returns and tax payments.

Code of conduct

Worldwide Code of Conduct

The „Responsible Management at Hettich“ code of conduct, which has been in place since 2014 for all Hettich companies worldwide, provides information on key areas of responsibility and conduct in business life. For instance, it covers applicable laws and ethical principles, product safety and monitoring, occupational safety, protecting the environment, antitrust law, personal gain, money laundering as well as avoiding conflicts between personal and corporate interests.

Risk management and governance arrangements

The tax function is led by the tax department located at the parent company, Hettich Holding GmbH & Co. oHG, who directly reports to the Group's Chief Financial Officer (CFO). As such, Tax is part of the Finance function and is under the responsibility of the CFO of the Hettich Group. A dedicated team of tax professionals, the Tax Department has the mission of proactively supporting the Group as business partner to ensure compliance in a tax efficient manner by managing risks and opportunities. The Tax Department is organized with a strong divisional axis, allowing the tax team to be closely integrated with the business. In addition, there are specialists in specific areas (such as International Tax, Wage tax, VAT), to ensure coherence of tax policy through the Group.

The Tax Department aims to develop close partnerships with the Group's businesses, to provide clear and timely guidance on tax matters, including identification of tax risks, if any, and relies on external tax advice if necessary. It is the aim of the Tax Department to be involved in projects from planning to implementation to ensure that appropriate tax treatment is applied and tax exposures are managed.

Tax planning

We undertake tax planning as part of our overall business strategy. Professional advice is sought on a transactional basis, with the depth of such advice being driven by our assessment of the risk presented by each opportunity.

We do not undertake aggressive tax planning, the sole purpose for which would be obtaining a tax advantage. We have a responsibility to minimize our tax risk and our exposure to negative publicity through non-compliance.

Attitude towards risk

The Board of the Hettich Group sees compliance with tax legislation as key to managing our tax risk. We understand the importance of tax in the wider context of business decisions and have processes in place to ensure tax is considered as part of our decision making process.

We have relationships with professional advisers that allow us to seek expert advice on specialist areas of tax. Our approach is to ensure we are compliant and understand our responsibilities with regards to tax, rather than looking for ways to aggressively avoid payment of tax. The Board is conscious of the hugely negative publicity attracted by a bad attitude towards tax, and sees strong internal processes and a good relationship with our professional advisors as the best way to manage this reputational risk. For the avoidance of doubt, the Group does not undertake high risk tax planning engagements or accept high levels of tax risk.

Relationship with HM Revenue & Customs (HMRC)

Our communication with HMRC is focused around timely tax compliance, for example meeting relevant filing and payment deadlines for taxes the company pays.

We employ the services of professional tax advisers to act as our agents, and in a number of cases they liaise with HMRC on our behalf. We rely on our advisors to interpret the law and tax legislation on our behalf. This is seen by the Board of the Hettich Group as a way to ensure we get the most out of our relationship with HMRC, thus reducing our tax risk.