

## **Heidelberg Tax Strategy Statement**

Heidelberg UK is the market leading provider of solutions for the printing industry. Our commitment is to be the first choice partner to the print media industry by providing the best products, best networking and unparalleled service and support to customers of all sizes and in all market segments in the UK and Republic of Ireland.

Our tax strategy applies to all UK entities in the Heidelberg Group and is in line with our Corporate Governance code and our risk and opportunity management system.

The publication of our tax strategy statement is regarded as complying with Part 2 of Schedule 19 of the 2016 Finance Act and has been approved by the Chief Accountant on the 27<sup>th</sup> March 2018.

### **Compliance**

Compliance is an integral component of the corporate identity of the Heidelberg Group. Tax compliance for Heidelberg means obeying all tax laws and regulations relevant to the Company and its employees at all levels.

### **Tax Risk Management and Governance**

Tax is managed at a local level by the local finance team and is supported by both the central tax department and by external providers.

We have a company-wide opportunity and risk management system and internal control system in place. The Management Board is responsible for appropriate risk and opportunity management in the Company. Individual risks, general risks and opportunities are systematically tracked, assessed and qualified, including tax risks.

### **Tax Planning**

We conduct business worldwide on the basis of an implemented transfer pricing system which is subject to the local tax laws applicable in the respective countries and to multilateral and bilateral tax agreements.

Risk and opportunity management is solidly integrated as part of corporate planning at Heidelberg and will be considered alongside any tax planning that is undertaken. In addition, any tax planning will have commercial and economic substance and will have regard to the potential impact on our reputation and broader goals. We will not undertake planning that is contrived or artificial.

### **Level of tax risk**

Our objective is not only to comply with all regulatory requirements but also to establish a risk culture and to raise risk awareness in the Company as a whole. Sustained business success requires the avoidance of risks therefore we seek to limit the level of tax risk we are exposed to. When monitoring the level of tax risk we follow the principles within our Group Risk Management Policy.

### **Relationship with tax authorities**

We engage with tax authorities, including HMRC, in an open and professional manner.

We are prepared to litigate where we disagree with a ruling or decision of a tax authority however, will first seek to resolve any disputed matters through pro-active and transparent discussion and negotiation.