

1) Scope

Sika AG is a successful global company with a leading position in the development and production of systems and products for bonding, sealing, damping, reinforcing and protecting in the building sector and the motor vehicle industry.

Sika Limited, a limited company registered in England and Wales, is wholly owned by Sika AG.

This strategy applies to Sika Limited and to the group of companies headed by Sika Limited and Incorez Limited, in accordance with paragraph 19 of Schedule 19 to the Finance Act 2016. A list of the entities to which it applies is set out below. In this strategy, references to 'Sika Limited' are to all these entities. The strategy has been published in accordance with paragraph 19(4) of the Schedule.

This strategy applies from the date of publication until it is superseded.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.

2) Aim

Sika Limited is committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The group's tax affairs are managed in a way which takes into account the group's wider corporate reputation in line with Sika Limited's overall high standards of governance.

3) Governance in relation to UK taxation

- Ultimate responsibility for Sika Limited's tax strategy and compliance rests with the Board of Directors of Sika Limited;
- Day-to-day management of Sika Limited's tax affairs is delegated to the Head of Finance who reports to the Regional CFO who then reports to the Group Chief Finance Officer ("CFO").
- The Group Chief Finance Officer ("CFO") is the Board member with executive responsibility for tax matters;
- Executive management of tax for the group is delegated by the group CFO to the Head of Tax of Sika AG.
- The Sika Limited finance team is staffed with appropriately qualified individuals;
- The management ensures that Sika Limited's tax strategy is one of the factors considered in all investments and significant business decisions taken.

4) Risk Management

- Sika Limited operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the group's financial reporting system;
- Sika Limited 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;

- Appropriate training is carried out for staff outside Tax team who manage or process matters
- which have tax implications;
- Advice is sought from external advisers where appropriate.

5) Attitude towards tax planning and level of risk

Sika Limited manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

When entering into commercial transactions, Sika Limited seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. Sika Limited does not undertake tax planning unrelated to such commercial transactions.

The level of risk which Sika Limited accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the group's tax affairs. At all times Sika Limited seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen. In relation to any specific issue or transaction, the management is ultimately 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.

6) Relationship with HMRC

Sika Limited maintains an open and honest relationship in its dealings with HMRC and will seek to work in 'partnership' with HMRC in relation to its tax dealings.

Sika Limited ensures that HMRC is 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 HMRC, Sika Limited 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 inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.

7) List of entities covered by this Tax Strategy:

- Sika Limited
- Everbuild Building Products Limited
- Incorez Limited
- Axson UK Limited
- Parex UK Limited
- Enewall Limited