

30 April 2018 – UK Tax Strategy

This Tax Strategy is applicable to all our tax activities in the UK and meets the requirement for the Zumtobel UK Group to publish its Tax Strategy as required by section 161 and paragraph 19(2) of Schedule 19 of Finance Act 2016. It is effective for the year ended 30 April 2018 and covers all Zumtobel UK Group companies, including those within the following sub-groups: Wengen, AC/DC, Thorn Lighting, ZG Lighting and Tridonic.

Introduction

The Zumtobel UK Group is part of the wider Zumtobel Group, an international lighting group and a leading supplier of innovative lighting solutions, lighting components and associated services. The Zumtobel Group is based in Dornbirn in the Vorarlberg region of Austria.

As outlined in our Zumtobel Group [Code of Conduct](#), we strive to maintain the highest ethical standards to lay the foundations for sustained progress in the Zumtobel Group's competitiveness and market position.

Our Corporate Values and Code of Conduct help us to make the right decisions and to act in a fair, trustworthy and impartial manner at all times, towards both our internal colleagues and our external partners.

This Tax Strategy has been developed by the UK Finance Manager. In developing the Tax Strategy, we have aimed to align to our [Corporate Values](#) and [Code of Conduct](#), specifically ensuring our approach to tax is aligned to our commitment to acting in a fair, trustworthy and impartial manner at all times.

Tax Management and Governance

The UK board of directors is ultimately accountable in respect of all UK tax matters, and provides oversight in ensuring that tax is considered within the wider context of the business and in how tax risk is managed across the Zumtobel UK Group.

The day-to-day management of tax compliance sits with the UK Finance Manager (supported by the UK finance team), who escalates any tax-risk matters as appropriate to the UK Board and Group Tax (in Austria). UK Board meetings are held by exception. Tax is included on the agenda as necessary.

Zumtobel UK Group have developed systems, controls, policies, procedures and training to manage tax risk. Risks inherent in the calculation, collection and payment of UK tax are mitigated by these.

Tax Compliance and Reporting

We are committed to observing all applicable laws, rules and regulations in meeting our tax compliance and reporting responsibilities everywhere we operate and specifically in the UK.

Processes and controls to ensure compliance with all laws, rules and regulations, including those relating to tax are embedded in the business.

We seek to apply diligent professional care and judgement in our tax compliance activities, and where applicable provide sufficient evidence to support all judgements made. In order to mitigate any risks associated with our tax compliance and reporting obligations, advice is sought on a regular basis from external advisors.

Attitude to Tax Planning

We have a low risk attitude to tax planning as it effects UK taxation, this means that all tax decisions are made in response to commercial activity, and tax is one of many factors that are taken into account when making business decisions. We will not take an aggressive stance in our interpretation of tax legislation and align taxable profits with substance and economic value creation.

Zumtobel UK Group adhere to the OECD arm's length principle in transfer pricing matters. We will apply diligent professional care and judgement to ensure all decisions are well-considered and documented. External advice may be sought in relation to areas of complexity or uncertainty to support the Group in complying with its tax strategy.

Interaction with HMRC

We maintain an open and transparent relationship with HM Revenue & Customs (HMRC) in how we manage tax compliance risk across all relevant taxes and duties. We discuss any key developments and events in our business and the potential impacts of those developments with HMRC in a timely manner. We disclose and seek to resolve any known issues prior to the filing of the tax return and we seek to maintain proactive cooperation with tax authorities in the case of HMRC tax investigations.

Approved by UK companies Board of Directors and ultimate parent companies Board of Directors on 19th March 2019