

Tax Policy

Version: October 15, 2025

Owner: Group Tax Manager

Adopted by the Group Management Team on October 5, 2025.

This policy is to be reviewed on a regular basis.

1. Purpose and scope

This Tax Policy ("the Policy") outlines the objectives and core principles guiding the Fagerhult Group's ("the Group's") tax management and governance. It is subject to continuous review and updated annually, and published on the Group's external website.

This Tax Policy applies to all legal entities within the Fagerhult Group and must be adhered to across all business operations and decision-making processes.

2. Guiding Principles

The Tax Policy aligns with the Fagerhult Group's corporate governance framework, policies, and sustainability principles. The Group is committed to corporate responsibility, of which responsible tax behaviour is a key component.

This statement is made in compliance with the UK disclosure requirement under Schedule 19 of the UK Finance Act 2016.

3. Tax Management

The Fagerhult Group is committed to complying with all applicable tax laws and regulations in every jurisdiction where it operates. This includes adhering to guidance from relevant tax authorities as well as international guidelines and principles, issued by the OECD and the United Nations.

The Group seeks to minimize tax risk by ensuring that all transactions and activities have a valid commercial purpose. The Group is committed to acting as a responsible corporate citizen by conducting the business in full compliance with laws and regulations and observing the spirit as well as the letter of the law.

4. UK Tax Strategy Statement

In accordance with the requirements of Schedule 19 of the UK Finance Act 2016, Fagerhult Group confirms that:

- It does not engage in artificial or aggressive tax planning and does not use tax havens for tax avoidance purposes.
- The Group's appetite for tax risk is low. Tax positions are generally taken where there is a reasonable basis for the expected treatment to be accepted by tax authorities, and material positions are supported by appropriate documentation or external advice.
- The Group seeks to build a transparent and constructive relationship with HMRC, engaging in open and timely dialogue and making proactive disclosures when appropriate.
- This UK tax strategy applies to all UK entities within the Fagerhult Group and is published to meet the requirements of Schedule 19 of the UK Finance Act 2016.

5. Tax Planning and Advisory

The Fagerhult Group aims to create long-term value for its customers, shareholders, employees, and stakeholders. Tax considerations are integrated as one of several factors in commercial decision-making.

The Group is committed to paying the right amount of tax in each jurisdiction, and applies the arm's length principle in all intra-group transactions.

The Group will maintain adequate knowledge of local tax regulations and practice and where specialist knowledge is required, the Group engages qualified external tax advisors to complement internal expertise. Reputation, brand value, and corporate social responsibility are key considerations in any activity.

The Group does not operate with a target effective tax rate.

6. Transparency

The Fagerhult Group is committed to transparent and accurate tax compliance, while also respecting confidentiality and applicable legal obligations. The Group strives to fulfil all statutory reporting, disclosure, and payment requirements in a timely and accurate manner.

7. Relationship with Tax Authorities

The Group maintains open, constructive, and professional relationships with tax authorities. The Group strives to meet all compliance obligations and provides required information in a timely and cooperative manner in every jurisdiction where it operates.

8. Tax Governance

The Group's approach to tax governance and risk management is overseen by the Fagerhult Group Chief Financial Officer (CFO) and led by the Head of Group Tax, who is part of the Group Finance function.

The Head of Group Tax collaborates closely with the Group CFO, Group Finance, Group Legal Counsel, and the Finance Directors of local entities to identify, monitor, and mitigate tax-related risks.

The Group CFO attends meetings of the Fagerhult Group Audit Committee, where updates on significant tax matters and risks are reported. The Audit Committee provides oversight and annually reviews and challenges the Group's tax strategy.

Day-to-day tax compliance is managed at the local legal entity level. Strategic tax matters – such as restructurings, new market entries, or transfer pricing – must be escalated to the Head of Group Tax for coordination at Group level.