HeidelbergCement is one of the world’s largest manufacturers of building materials. Our approx. 51,000 employees work at around 3,000 production sites in more than 50 countries on five continents. For HeidelbergCement, doing business means a lot more than just achieving outstanding financial results. We are also committed to acting in an environmentally and socially responsible manner. We conserve natural resources, as they form the basis of our business activities. And we take our corporate and social responsibility at the various company locations and towards our employees very seriously.

Alignment

Our tax strategy is the foundation for meeting our responsibilities with regards to corporate taxes. It applies to HeidelbergCement and all subsidiaries worldwide. The tax strategy is closely aligned with HeidelbergCement’s business strategy and our sustainability goals.

The Tax Policy is managed by the Director Group Tax. The Managing Board of the Group, represented by the Chief Financial Officer, is ultimately responsible for reviewing, updating and approving the HeidelbergCement Tax Policy.
Global Tax Principles

1. We insist on full compliance with all relevant legal and tax regulations of the countries in which we operate, in line with our corporate social responsibility and the expectations of our stakeholders.

2. We organise our commercial activities based on genuine, solid business rationale and commercial substance. We only conduct reasonable tax planning in line with the values of the Group, not abusively, aggressively or to the detriment of the Group’s reputation.

3. We pay the taxes due in a timely manner under a reasonable interpretation of the tax law and upon receipt of lawful demand.

4. In line with the duties to our shareholders, we seek to prevent double taxation and claim the tax exemptions, incentives and reliefs available under the respective tax regulations.

5. We apply the arm’s length principle when pricing intra group transactions in compliance with OECD guidelines and local regulations. We do not use transfer pricing to artificially transfer profits from one jurisdiction to another or to low tax jurisdictions.

6. We do not use tax havens or secrecy locations to avoid taxation. However, according to the list of participations, HeidelbergCement has subsidiaries in countries that are considered tax havens; these companies are known to the tax authorities and are not used for tax avoidance purposes.
Risk Management and Governance

We insist on a robust control framework of responsibilities based upon OECD guidelines and best practices, policies, people and procedures to identify and manage tax risks. Our systems, processes and controls reflect this framework.

We employ professionals to manage our tax affairs in the countries where we operate. Whenever we do not have the in-house resources to adequately meet our obligations, we engage external tax advisors.

We ensure timely reporting and accurate accounting of tax risks via group-wide standardised risk reporting guidelines and tools. The processes and controls as well as key tax matters are subject to regular reviews by internal and external auditors. Significant findings and risks identified as material are regularly reported to the Group CFO as well as the Audit Committee.

We exercise proactive risk management to reduce the tax risks and the personal risks involved. In cases of uncertainty about the application of tax law, we seek external advice to support our decision-making process.

Relationship to Tax Authorities

We act with integrity in all tax matters, engaging constructively, honestly and transparently with the tax authorities in the countries where we operate. Our goal is to keep the tax authorities aware of significant transactions or business developments and we seek to discuss or disclose any past, current or future tax issues in an appropriate way.

In cases of significant uncertainty regarding the tax treatment of a specific transaction or significant materiality for a Group company, we may request generally available clearances from the relevant tax authorities.

Automation and Digitisation

In line with the developments at OECD level as well as national tax law, we continuously analyse our processes and systems to improve their efficiency and effectiveness. Key components of this approach are the simplification, digitisation and automation of tax processes.