

SCA Group – UK Tax Strategy

SCA Group

SCA is Europe's largest private forest owner with 2.6 million hectares of environmentally certified forest land in northern Sweden. SCA's business model is to sustainably create the most possible value from and around this unique resource. With a long-lasting and effective value chain in world class, we use the whole tree and refine the forest into sustainable solutions and products to people all over the world. We are committed to creating value as a sustainable business for our shareholders, customers and employees. SCA is an important part of society and we understand our responsibility to pay the right amount of tax in the right place. SCA's shares are publicly traded on the Swedish Stock Exchange (Nasdaq OMX).

About this Strategy

This Strategy applies to UK entities in the SCA group. This strategy covers SCA's approach to arranging its tax affairs, managing tax risks and working with tax authorities. This strategy is intended to satisfy the requirements under Section 161 and Schedule 19 (2) of the UK Finance Act of 2016 and applies from December 2017 until it is superseded.

SCA's approach to tax planning

SCA is committed to compliance with all applicable tax laws and regulations in the UK in line with SCA's Code of Conduct. SCA only engages in tax planning that is aligned with its commercial business activities. SCA seek to pay the right amount of tax in the right place at the right time. We fully support efforts to ensure companies are appropriately transparent about how tax affairs are managed.

Tax planning & managing risk

SCA engage in tax planning when entering into commercial transactions. SCA seek to take advantage of available tax incentives, reliefs and exemptions in line with tax legislation. SCA do not engage in aggressive tax planning, nor undertake structure without commercial and economic substance.

SCA manage tax risks by ensuring compliance with relevant laws and actively seek to minimize uncertainty in tax affairs in line with our group's Code of Conduct. SCA has established appropriate monitoring and accounting arrangements to ensure continuous compliance with all tax laws and regulations. SCA regularly seeks professional opinions and advice from independent external advisors on tax matters.

Relationship with HMRC

SCA seek to have a transparent, professional and constructive relationship with HMRC and are committed to prompt disclosure and transparency in all tax matters with HMRC. SCA engage in full, open and timely dialogue with HMRC on significant tax issues to avoid disputes with HMRC and minimize tax risk.