

## **Herman Miller UK Group Tax Strategy**

### **Introduction**

This statement is made pursuant to Schedule 19 to the Finance Act 2016 and sets out the policy and approach of the Herman Miller UK Group (including Herman Miller Holdings Limited, Herman Miller Limited and Colebrook Bosson Saunders (Products) Limited) to conducting and managing its UK tax affairs. In publishing this statement Herman Miller is fulfilling its obligations under the Finance Act 2016.

This statement will be periodically reviewed by management with responsibility for tax and any amendments will be approved by the Board of Directors. This statement is effective for the Company's financial years commencing 4<sup>th</sup> June 2017 and will remain in effect until any amendments are approved by the Board of Directors. This statement was last revised on February 28<sup>th</sup> 2019.

In this statement references to "the Company" or "Herman Miller" shall be references to the Herman Miller UK Group, which includes all the United Kingdom affiliates of Herman Miller which form part of the UK Tax Group which is headed by Herman Miller Holdings Limited.

### **Group Tax Policy**

Herman Miller is committed to conducting its tax affairs consistent with the following objectives:

1. to comply with all relevant laws, rules, regulations and reporting and disclosure requirements; and
2. to apply due professional diligence and care in the management of risks associated with tax matters, and in doing so ensure that appropriate governance and assurance procedures are implemented.

### **Principles of Ethical Business Conduct**

Herman Miller's Corporate Code of Conduct policy sets out the principles that all employees and officers of Herman Miller are expected to adhere to in all dealings and business matters, including its tax affairs, a copy of which can be found on the Herman Miller website (<https://www.hermanmiller.com/legal/corporate-code-of-conduct>). Herman Miller requires that all staff should act honourably, with honesty and integrity, in compliance with all applicable domestic and foreign laws and regulations, and in accordance with the highest moral/ethical standards of responsibility and accountability in all dealings with our customers, potential customers, business partners, suppliers, public officials, competitors and each other. Non adherence to this policy may constitute a disciplinary matter and could lead to disciplinary proceedings that can ultimately include dismissal.

### **Tax Risk Management**

Responsibility and accountability for the Group's tax affairs is the responsibility of the Finance Director. As part of the Herman Miller Inc. global group, the Global Tax Director would also take an active role in understanding the tax treatment of material transactions. As part of its Corporate Governance, the Audit Committee of the Herman Miller, Inc. Board of Directors is apprised of any tax agency audits, significant errors in tax reporting, and the tax treatment of material transactions. As such, the tone for the corporate tax risk posture is established with Herman Miller, Inc. management and Board of Directors.

Diligent professional care and judgement is employed to assess tax risks in order to arrive at reasoned conclusions on how the risks should be managed. Where there is uncertainty as to the application or interpretation of tax law, appropriate advice will be taken from third party professional advisers to support the decision-making process.

Risk management processes and systems include compliance and risk monitoring systems and internal reviews of tax compliance activity through Group.

### **Attitudes to tax planning**

Herman Miller believes that it should pay the amounts of tax legally due. There will, however, be circumstances where this amount may not be clearly defined, or where alternative approaches may result in differing tax outcomes. The Group will use its best judgement in determining the appropriate course of action, using available reliefs and incentives where possible. On occasions where the tax treatment of a transaction requires specialist tax knowledge the Group will seek external professional advice. Ultimately, the Company only pursues tax strategies which are in compliance with the spirit of the law and within the Company's commercial practices.

### **Herman Miller and its tax risks**

Herman Miller's strategic aim is to have low UK tax risk. Herman Miller seeks to achieve this aim through:

- (i) the submission of all UK tax returns on a timely basis including sufficient detail to enable HMRC to form an accurate view of its affairs of the Group company filing the return with an adequate supporting audit trail and sign-off process;
- (ii) paying the appropriate amount of tax at the right time;
- (iii) ensuring that the departments who are involved in Herman Miller's tax processes are adequately resourced and supported, and that key personnel are retained to manage tax compliance issues on a knowledgeable and timely basis; and
- (iv) ensuring that all tax filing positions are supported with appropriate documentary evidence.

Where there is a view taken by Herman Miller that may potentially differ to a position taken by HMRC, Herman Miller aims to be transparent about the filing position it has taken.

### **Relationships with tax authorities**

Herman Miller is committed to the principles of openness and transparency in its approach to dealing with tax authorities. All dealings with the tax authorities and other relevant bodies will be conducted in a collaborative, courteous and timely manner. The aim would be to strive for early agreement on disputed matters, and to achieve certainty where possible.