

## Ambuja Group Tax Policy

Ambuja Cements Ltd, (Ambuja) a part of the global conglomerate LafargeHolcim, (LH) is one of the leading cement manufacturing companies in the Indian cement industry with its uniquely sustainable development projects. LH and Ambuja are proud to pay its fair share of tax, and the Group's primary objective from a tax perspective is to be compliant with all tax legislation requirements. This includes making timely and accurate returns which reflect the group's fiscal obligation to Government whilst, at the same time, recognising all legislative concessions and reliefs.

### Tax Strategy and Compliance:

The Ambuja Group adopts and executes a global tax strategy of LH that:

- Is aligned to the LH Group's business strategy, business imperatives, and organizational culture (including relationship with authorities)
- Balances tax optimization, risk mitigation and cost-effectiveness;
- Is effectively reported, measured and communicated;
- Ensures accurate, transparent and timely statutory compliance with the relevant tax laws.

The objective is to achieve the above while keeping transactions and structures as simple and transparent as possible, and within the given framework of the Ambuja Group's business strategies and models.

### Policy Principles:

#### Compliance:

Taxes are paid in accordance with the rules and regulations of India, seeking to comply not only with the letter but also with the spirit and of the law. Likewise, our employees must comply with the Code of Conduct.

#### Relationship with Governments & Tax Authorities:

Through responsible behaviour in the area of taxes, Ambuja strengthens its standing as a respected member of the business community as well as its brand. In particular, the relationship with tax authorities and other governmental bodies shall be fair and transparent.

#### Accountability and Governance:

In achieving the above mentioned objective, Ambuja Group adheres to the following principles:

- Corporate business strategies generally have priority over tax optimization.
- Ensure that procedures efficiently address stakeholders' requirements
- Providing group wide applicable tools and methodologies
- Not engaging in tax fraud and tax evasion.

- Business changes shall be facilitated by structures allowing flexible exit opportunities
- Tax department must be involved at an early stage in important business initiatives and decisions with potential significant tax

#### Transfer Pricing Principles:

Ambuja Group companies shall comply with all applicable transfer pricing rules and regulations, including the “arm’s length principle” as outlined by the OECD and Indian Transfer Pricing Regulations. It is Ambuja’s responsibility to ensure that it is in statutory compliance with all local regulations.

#### Tax risk management and reporting:

As the business relies on good relationships with public authorities, reputation risks relating to tax matters must be avoided. Therefore, regarding the different areas of tax risks, the following principles have to be followed:

- **Planning risk:** Tax planning structures should only be implemented if a “should-level”<sup>1</sup> opinion is available.
- **Operational risk:** For proposed new business initiatives involving a change of legal or financing structures and/or affecting Ambuja Group-internal transfer prices, the advice of the respective tax responsible must be obtained prior to submitting a Request for Approval.
- **Compliance risk:** There need to be controls in place ensuring that data required for tax filings and preparation of transfer pricing documentation is properly backed up by adequate business and legal documentation.
- **Reputation risk:** Open, fair and transparent dealing with tax authorities acknowledging the need for public funding requirements.
- **Tax reporting:** Tax risks are reported correctly as per the accepted accounting and reporting principles.