

# Owens Corning, Inc. – UK Tax Strategy<sup>1</sup> – FY 2019

Our global approach to managing tax affairs is guided by our purpose, mission, and values:

## PURPOSE

Our people and products made the world a better place.

## MISSION

We build market-leading businesses; global in scope - human in scale.

## VALUES

- Living Safely
- Winning with Customers
- Leading in Quality
- Expanding Our Impact Through Sustainability
- Turning Knowledge into Value
- Striving to be Better, Every Day

Maintaining the highest standards of ethical business conduct at all times is a condition of employment at Owens Corning, and is reinforced via our Code of Conduct and Business Conduct Policies. One constant throughout Owens Corning's history is the reputation our company has earned for doing the right thing in all of our interactions, and our approach to managing our UK tax affairs is no exception.

In 2019, Owens Corning, Inc. held the following UK subsidiaries:

- Owens-Corning Britinvest Limited
- Owens Corning Fiberglas (U.K.) Pension Plan Ltd.
- Owens Corning Supplementary Pension Plan Limited
- Owens-Corning Veil U.K. Ltd.
- Paroc Limited
- Pittsburgh Corning (United Kingdom) Limited

Our UK tax strategy, which follows our global approach to managing tax affairs, is as follows:

- **UK Tax Planning and Decision Making**
  - At Owens Corning tax planning and decision making is globally overseen by the VP of Tax, who along with the global headquarters tax team in the United States, is assisted by a regional tax team in Europe which handles the routine tax lifecycle activities of the group's UK entities.
  - At Owens Corning the main purpose behind our UK tax planning is to support our building materials and composites businesses as efficiently as possible, in line with our mission, and is not the result of a tax-driven planning strategy.
  - As is the case globally, we seek UK tax advice from accounting firms of various sizes, law firms, and tax counsel as needed in order to ensure that we have understood and fulfilled our obligations.
- **UK Tax Compliance and Reporting**
  - As is the case globally, Owens Corning is committed to timely and accurately complying with all UK tax rules to which we are subject. As previously mentioned, we regularly seek UK tax advice from external advisors in order to ensure that we have understood and fulfilled our routine commitments (income tax returns, tax provisioning, transfer pricing, etc.).
  - As a publicly listed company on the New York Stock Exchange, the governance structure, external audit requirements, Sarbanes Oxley Act Section 404(b)-compliant internal controls environment, and various other structures and policies which Owens Corning has implemented to comply with US Securities and Exchange Commission's requirements also apply to our UK subsidiaries and serve to bolster the process controlling not only our UK tax compliance and reporting but also the oversight of our UK tax strategy.

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<sup>1</sup> This strategy is intended to comply with the UK legislative requirement ("duty to publish a group tax strategy") under the Finance Act of 2016, Schedule 19, Paragraph 16, Subparagraph 2 in respect of the financial year ended 31 December 2019.

- **UK Risk Assessment and Management**
  - In-line with the main purpose behind our UK tax planning, which is to support our building materials and composites businesses as efficiently as possible, a key objective for us at Owens Corning is to reduce our UK tax risk as much as possible in all circumstances.
  - As mentioned previously, Owens Corning has in place a robust governance structure, complies with external audit requirements both in the UK and in the US, and has designed effective and continuously operating internal controls which help us to identify and mitigate our UK tax risks. These structures, policies, and measures require that any and all UK-related tax decisions (whether as routine as filing an income tax return or as complex as a restructuring) be provided to the appropriate decision makers (for example: UK and / or US board members, VP of Tax, global headquarters tax team, or regional tax team) for review and approval before action is taken so that all necessary aspects have been considered in order to reduce our UK tax risk as much as possible.
- **Relationship with HMRC and Dispute Resolution**
  - As mentioned previously, our commitment to the highest ethical standards of business conduct and reputation for doing the right thing in all of our interactions is something that, we at Owens Corning, endeavour to maintain when working with HMRC.
  - We aim to openly engage with HMRC and strive to fairly resolve any and all disputes.

We believe that our tax strategy reflects our mission, purpose, values, and principles and that our efforts to engage in best practices while executing our tax strategy are a key to Owens Corning's success.