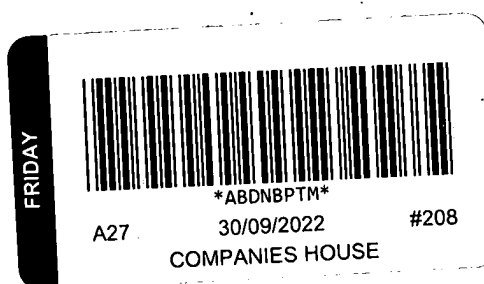


REGISTERED NUMBER: 05405478 (England and Wales)

Saint-Gobain Aldwych Limited
Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2021



**Contents of the Financial Statements
for the year ended 31 December 2021**

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**Company Information
for the year ended 31 December 2021**

DIRECTORS:

N J Cammack
M S Chaldecott
S M S Billet

SECRETARY:

R Keen

REGISTERED OFFICE:

Saint-Gobain House
East Leake
Loughborough
Leicestershire
LE12 6JU

REGISTERED NUMBER:

05405478 (England and Wales)

AUDITORS:

KPMG LLP
Chartered Accountants
St Nicholas House
Park Row
Nottingham
NG1 6FQ

**Strategic Report
for the year ended 31 December 2021**

The directors present their strategic report for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The company acts as an investment holding company. Details of its investments are provided in note 6.

REVIEW OF BUSINESS

The company made a profit after tax of £74,608,000 for the year ended 31 December 2021 (year ended 31 December 2020: profit £200,825,000).

PRINCIPAL RISKS AND UNCERTAINTIES

Risks facing the Saint-Gobain group, which includes Saint-Gobain Aldwych Limited, are discussed in the Annual Report of Saint-Gobain. As an intermediate holding company with most of its income arising from group companies, there are no other significant risks within the company.

KEY BUSINESS STRATEGIES

Saint-Gobain, the world leader in sustainable habitat and construction markets, designs, manufactures and distributes building and high-performance materials, providing innovative solutions to the challenges of growth, energy efficiency and environmental protection.

Saint-Gobain is uniquely positioned, with complementary strategic positions in building materials and high-performance materials technologies:

- It is a worldwide or European leader in all of its businesses, with local solutions tailored to the needs of each market.
- It has an unrivalled portfolio of energy efficiency products and solutions.
- With its deep understanding of building professionals' needs, acquired through daily contacts with customers, solutions can be adapted to highly specific customer requirements.
- It has an outstanding potential for innovation, supported by a unique industrial and distribution expertise and a commitment to materials research.
- Its culture of operational excellence gives the group an underlying robustness and the ability to respond quickly to changes in the economic environment.
- Its solid set of tested values helps the group to build lasting relations with all stakeholders, from customers and employees to suppliers, subcontractors, shareholders and the community.

The company acts as an investment holding company in support of the group's objectives.

**Strategic Report
for the year ended 31 December 2021**

SECTION 172(1) STATEMENT

The company's sole member is Saint-Gobain Europe du Nord, which is 100% owned by Compagnie de Saint-Gobain. The directors consider that their duty to promote the success of the company for the benefit of its members as a whole means that they should fully support Compagnie de Saint-Gobain in its purpose of "Making the world a better home".

Our purpose, to make the world a better home, reflects who we are and sets the course for our future. Over 350 years of history, our collective strength and leadership empowers us to address major challenges facing humanity, including climate change, resource protection and inclusion.

We operate both internationally and locally and are fully integrated within our local communities to support their vitality and help build a fairer and more sustainable world. Our purpose calls on us to innovate openly, with the profound ambition to act every day to make the world a more beautiful and sustainable place to live.

"MAKING THE WORLD A BETTER HOME"

Our purpose sets the course for our common future. Together with and for our customers, we design, manufacture and distribute materials and solutions that have a positive impact on everyone's life and provide well-being, quality of life and performance, while caring for the planet.

Our purpose reflects who we are. Our 350 years of history, our collective strength and our leadership empower us to pursue our development, by addressing the major challenges facing humanity, namely, climate change, resource protection and inclusion. We are both an international and multi-local company, fully integrated into the territories where we operate to support their vitality and help build a fairer and more sustainable, open and engaging world.

Our purpose is a call to action. Our approach is clearly focused on the future. Together with our customers, partners and all our stakeholders, it guides our action to unleash individual and collective aspirations, and enable everyone to live better in the world. It calls on us to innovate openly, with the ever-renewed ambition of better uniting humanity and nature for the common good.

Our purpose is based on values that guide us. We carry out our business in compliance with the principles of conduct and action and the humanist values that permeate our corporate culture. Listening, dialogue, care, solidarity, trust and respect for difference are central to our commitment.

This is the profound ambition of our purpose: to act every day to make the world a more beautiful and sustainable place to live.

Through its purpose, Saint-Gobain bases its development on strong values embodied in nine Principles of Conduct and Action, which constitute a true code of ethics. Formalized in 2003, translated into 33 languages, and distributed to all employees, these principles constitute an ethical reference applicable in action. They are a condition of belonging to the Group. The directors of the company have fully embraced and implemented these values as part of the foundation of our business.

General Principles of Conduct:

- o Professional commitment
- o Respect for others
- o Integrity
- o Loyalty
- o Solidarity

Principles of Action:

- o Respect for the law
- o Caring for the environment
- o Worker health and safety
- o Employee rights

Saint-Gobain Attitudes:

- o Cultivate customer intimacy: Focusing on our customers
- o Act as an entrepreneur: Setting ambitious goals, priorities, clear rules
- o Innovate: Acquiring new knowledge, developing things together
- o Be agile: Acting proactively and quickly, living digitalization
- o Build an open and engaging culture: Be collaborative and constructive within and outside Saint-Gobain

**Strategic Report
for the year ended 31 December 2021**

SECTION 172(1) STATEMENT - continued

A Strong Compliance Culture:

The Directors have acted in support of the continued development of the strong Saint-Gobain Compliance Culture.

This is built on the following principles:

Sustainable Development - Communication with employees about the Principles of Conduct and Action and importance of Sustainable Development has continued.

Competition law compliance - The roll-out of training for colleagues on competition compliance has continued.

Corruption prevention & Compliance with economic sanctions and embargoes - Training on this importance has continued to be deployed to colleagues during the year with specialized external advice and training.

Internal audit and business control - Directors have continued to ensure entities understand and adhere to business control framework and formal risk management planning.

Whistleblowing system - Directors have ensured that the policy and channels, available to colleagues have been promoted across the business to ensure colleagues are aware of how to raise issues of concern.

FINANCIAL INSTRUMENTS

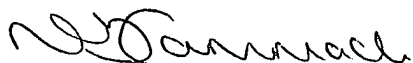
All financing balances are intercompany in nature and there were no financial instruments traded during the year.

KEY PERFORMANCE INDICATORS

The company reviews its performance by using a number of financial and non-financial Key Performance Indicators (KPIs), the most important KPIs are detailed below:

	2021 £'000	2020 £'000
Profit for the year	74,608	200,825
Net assets	3,771,570	3,771,562

ON BEHALF OF THE BOARD:



N J Cammack - Director

Date: 29 September 2022

**Report of the Directors
for the year ended 31 December 2021**

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

DIVIDENDS

In 2021, the company declared and paid an interim dividend of £74,600,000 on 25 May 2021. In 2020, the company declared and paid an interim dividend of £200,823,000 on 26 May 2020.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

N J Cammack
M S Chaldecott

Other changes in directors holding office are as follows:

JD Grégoire resigned 31 December 2021
S M S Billet was appointed 31 December 2021

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS

When making key decisions, the director engage with all key stakeholders whilst ensuring that decisions are made in the best interests of the company. During 2021 the following are considered to be key decisions:

Support for subsidiaries during the ongoing Covid-19 crisis, especially to ensure that they have sufficient working capital and liquidity to continue in business.

STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENTS

The company does not follow a public corporate governance code. This is because the company is a 100% subsidiary of Compagnie de Saint-Gobain and is therefore subject to the corporate governance code of the ultimate parent company.

The directors consider that their legal and professional obligations as directors are primarily:

- o To promote the success of the company in accordance with the desires of the members, in this case BPB Group Operations Limited and ultimately Compagnie de Saint-Gobain
- o To act in accordance with the company's constitution and all other legal requirements
- o To exercise reasonable care, skill and diligence
- o To avoid conflicts of interest or personal benefits

**Report of the Directors
for the year ended 31 December 2021**

GOING CONCERN

The company is profitable, and in a net assets position. The directors have given careful consideration to the forecasts for the 12 months following the signing of these accounts, which show continued profitability and cash generation from operations.

As a member of the Saint-Gobain UK & Ireland group of companies, together referred to as the 'UKI group', the company meets its day-to-day working capital requirements through operating cash flows, access to the group cash pooling arrangement (see note 7). The entity forms an integral part of the wider operation of the UKI group and as such is reliant on the continuation of the UKI group including for funding already provided and for access to the cash pool within debtors (see note 7). In making the going concern assessment the directors have considered the cash flow forecasts for the company, and also those of the UKI group for a period of 12 months from the date of approval of these financial statements.

Those forecasts are dependent on the continuation of the company's involvement in the UKI group cash pooling arrangement. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Report of the Directors
for the year ended 31 December 2021**

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

ON BEHALF OF THE BOARD:



N J Cammack - Director

Date: 29 September 2022

Report of the Independent Auditors to the Members of Saint-Gobain Aldwych Limited

Opinion

We have audited the financial statements of Saint-Gobain Aldwych ("the company") for the year ended 31 December 2021 which comprise the Profit and Loss Account, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies in note 1.

In our opinion the financial statements:

- o give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- o have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- o have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- o we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- o we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors and inspection of policy documentation as to the Compagnie de Saint-Gobain's policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Report of the Independent Auditors to the Members of Saint-Gobain Aldwych Limited

Fraud and breaches of laws and regulations - ability to detect - continued

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Based solely on that work:

- o we have not identified material misstatements in the strategic report and the directors' report;
- o in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- o in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- o adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- o the financial statements are not in agreement with the accounting records and returns; or
- o certain disclosures of directors' remuneration specified by law are not made; or
- o we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Report of the Independent Auditors to the Members of
Saint-Gobain Aldwych Limited**



Mark Flanagan (Senior Statutory Auditor)

for and on behalf of KPMG LLP
Chartered Accountants
St Nicholas House
Park Row
Nottingham
NG1 6FQ

Date: 30 September 2022

Saint-Gobain Aldwych Limited (Registered number: 05405478)

**Profit and Loss Account
for the year ended 31 December 2021**

	Notes	2021 £'000	2020 £'000
TURNOVER		-	-
OPERATING PROFIT		-	-
Dividend Income from subsidiaries		74,608	200,823
Interest receivable and similar income		-	2
PROFIT BEFORE TAXATION	3	74,608	200,825
Tax on profit	4	-	-
PROFIT FOR THE FINANCIAL YEAR		<u>74,608</u>	<u>200,825</u>

The notes form part of these financial statements

Saint-Gobain Aldwych Limited (Registered number: 05405478)

**Other Comprehensive Income
for the year ended 31 December 2021**

	2021 £'000	2020 £'000
PROFIT FOR THE YEAR	74,608	200,825
OTHER COMPREHENSIVE INCOME	—	—
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>74,608</u>	<u>200,825</u>

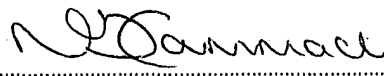
The notes form part of these financial statements

Saint-Gobain Aldwych Limited (Registered number: 05405478)

Balance Sheet
31 December 2021

	Notes	2021 £'000	2020 £'000
FIXED ASSETS			
Investments	6	3,771,564	3,771,564
CURRENT ASSETS			
Debtors	7	7	-
CREDITORS			
Amounts falling due within one year	8	(1)	(2)
NET CURRENT ASSETS/(LIABILITIES)		<u>6</u>	<u>(2)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,771,570</u>	<u>3,771,562</u>
CAPITAL AND RESERVES			
Called up share capital	9	3,394,408	3,394,408
Retained earnings	10	<u>377,162</u>	<u>377,154</u>
SHAREHOLDERS' FUNDS		<u>3,771,570</u>	<u>3,771,562</u>

The financial statements were approved by the Board of Directors and authorised for issue on 29 September 2022 and were signed on its behalf by:



N J Cammack - Director

**Statement of Changes in Equity
for the year ended 31 December 2021**

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2020	3,394,408	377,152	3,771,560
Total comprehensive income			
Profit for the year	-	200,825	200,825
Transactions with shareholders recorded directly in equity:			
Dividends	-	(200,823)	(200,823)
Balance at 31 December 2020	<u>3,394,408</u>	<u>377,154</u>	<u>3,771,562</u>
Changes in equity			
Total comprehensive income			
Profit for the year	-	74,608	74,608
Transactions with shareholders recorded directly in equity:			
Dividends	-	(74,600)	(74,600)
Balance at 31 December 2021	<u>3,394,408</u>	<u>377,162</u>	<u>3,771,570</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the year ended 31 December 2021**

1. ACCOUNTING POLICIES

Basis of preparation

Saint-Gobain Aldwych Limited is a private company incorporated, domiciled and registered in England, in the UK. The registered number is 05405478 and the registered address is Saint-Gobain House, East Leake, Loughborough, Leicestershire LE12 6JU.

These financial statements were prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101).

The company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Compagnie de Saint-Gobain include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairment of Assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Disclosures required by IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the cash flows of discontinued operations;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company in the current and prior periods including the comparative period reconciliation for goodwill;
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 12.

Measurement convention

The financial statements are prepared on the historical cost basis.

Notes to the Financial Statements - continued
for the year ended 31 December 2021

1. ACCOUNTING POLICIES - continued

Going Concern

The company is profitable, and in a net assets position. The directors have given careful consideration to the forecasts for the 12 months following the signing of these accounts, which show continued profitability and cash generation from operations.

As a member of the Saint-Gobain UK & Ireland group of companies, together referred to as the 'UKI group', the company meets its day-to-day working capital requirements through operating cash flows, access to the group cash pooling arrangement (see note 7). The entity forms an integral part of the wider operation of the UKI group and as such is reliant on the continuation of the UKI group including for funding already provided and for access to the cash pool within debtors (see note 7). In making the going concern assessment the directors have considered the cash flow forecasts for the company, and also those of the UKI group for a period of 12 months from the date of approval of these financial statements.

Those forecasts are dependent on the continuation of the company's involvement in the UKI group cash pooling arrangement. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

Investments in debt and equity securities

Investments in associates and subsidiaries are carried at cost less impairment.

Taxation -

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting or taxable profit except in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Foreign currencies

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

Notes to the Financial Statements - continued
for the year ended 31 December 2021

1. ACCOUNTING POLICIES - continued

Financing income and expenses

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established.

Impairment

The carrying amounts of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of the company's investments in held-to-maturity securities and receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a held-to-maturity security or receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of an investment in an equity instrument classified as available for sale is not reversed through profit or loss. If the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

An impairment loss is reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Dividends

Dividend payable is recognised on the date the entity's board of directors approve payment.

2. EMPLOYEES AND DIRECTORS

There were no employees of Saint-Gobain Aldwych Limited in the year (year ended 31 December 2020: nil).

Directors' remuneration

The directors of the company are also directors of several other companies within the Saint-Gobain Group, and their emoluments are borne by these other companies. They do not consider that their duties in respect of the company take up a significant proportion of their time. No directors receive any emoluments from the company, nor are they members of any pension scheme in which the company has an interest. Accordingly, the directors do not believe that it is practicable to apportion the amount of their remuneration between their services as directors of the company and their services to other companies in the group.

Notes to the Financial Statements - continued
for the year ended 31 December 2021

3. AUDITORS REMUNERATION

Auditor's remuneration has been recorded within the financial statements of another group company, BPB Limited.

4. TAXATION

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Factors affecting the tax expense

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £'000	2020 £'000
Profit before income tax	<u>74,608</u>	<u>200,825</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	14,176	38,157
Effects of: UK Dividend income	<u>(14,176)</u>	<u>(38,157)</u>
Tax expense	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The UK government has announced that corporation tax rates will increase to 25% from 1 April 2023. The company's main sources of income are expected to continue to be exempt from tax, so this is not expected to have a material impact on the company's profitability.

5. DIVIDENDS

	2021 £'000	2020 £'000
Ordinary shares of 90p each		
Interim	<u>74,600</u>	<u>200,823</u>

The company declared and paid an interim dividend of £74,600,000 on 25 May 2021. In 2020, the company declared and paid an interim dividend of £200,823,000 on 26 May 2020. The directors do not recommend the payment of a final dividend for the year ended 31 December 2020.

6. INVESTMENTS

	Shares in group undertakings £'000
COST	
At 1 January 2021 and 31 December 2021	<u>3,771,564</u>
NET BOOK VALUE	
At 31 December 2021	<u>3,771,564</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2021

6. INVESTMENTS - continued

	Shares in group undertakings £'000
COST	
At 1 January 2020	
and 31 December 2020	<u>3,771,564</u>
NET BOOK VALUE	
At 31 December 2020	<u>3,771,564</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2021

6. INVESTMENTS - continued

The company's investments in subsidiaries and associates are as follows:

	Registered Office	Ownership of shares and voting rights	
	see key below	2021	2020
BPB Limited †	1	100.00%	100.00%
BPB Finance (No.4) Limited	1	100.00%	100.00%
BPB Group Finance Limited	1	100.00%	100.00%
BPB Group Operations Limited	1	100.00%	100.00%
BPB Finance (No.2) Limited	1	100.00%	100.00%
BPB Investments Overseas Limited	1	100.00%	100.00%
Commatone Limited	1	100.00%	100.00%
BPB Finance (No.6)	1	100.00%	100.00%
BPB India Limited	1	100.00%	100.00%
Gypsum Investments Limited	1	100.00%	100.00%
Skiptex Limited	1	100.00%	100.00%
Radcliffe Paper Tubes Limited	1	100.00%	100.00%
Saint-Gobain Construction Products UK Limited	1	100.00%	100.00%
Artex Limited	1	100.00%	100.00%
Artex-Blue Hawk Limited	1	100.00%	100.00%
Blue Hawk Limited	1	100.00%	100.00%
British Gypsum Limited -	1	100.00%	100.00%
Celotex Limited	1	100.00%	100.00%
Saint-Gobain Isover UK Limited	1	100.00%	100.00%
Saint-Gobain PAM UK Limited	1	100.00%	100.00%
Saint-Gobain Weber Limited	1	100.00%	100.00%
Nutbrook Canal Navigation	1	100.00%	100.00%
Chambers Packaging Limited	1	100.00%	100.00%
Saint-Gobain Denmark A/S	2	37.75%	37.75%
LECA Danmark A/S	2	37.75%	37.75%
Saint-Gobain (Thailand) Company Limited (previously BPB Asia Limited 30/11/2020)	3	95.87%	95.87%
BPB (Shanghai) Management Co Limited	4	100.00%	100.00%
BPB Gypsum BV	5	100.00%	100.00%
Allied Manufacturing Industries (Private) Limited	6	100.00%	100.00%
Allied Industrial Investments (Private) Limited	7	100.00%	100.00%
Saint-Gobain Construction Products Zimbabwe (Pvt) Limited	8	100.00%	100.00%
BPB Asia Pte Ltd	9	100.00%	100.00%
Asia Gypsum Company Limited	10	100.00%	100.00%
Saint-Gobain India Private Limited	11	22.00%	22.00%
Saint-Gobain Industries India Private Limited	11	22.00%	22.00%
Inversiones BPB Chile Ltda	12	100.00%	100.00%
Inversiones Volcan SA	12	30.28%	30.17%
CIA Industrial El Volcan SA	12	30.28%	30.17%
Inversiones Volcan Internacional SPA	13	30.28%	30.17%
Placo Do Brasil Ltda	14	68.62%	68.58%
Thai Gypsum Products PLC	15	83.48%	83.48%
Saint-Gobain Sekurit (Thailand)	16	66.60%	66.60%
PT central Saint-Gobain Sekurit Indonesia	17	30.20%	31.20%
PT Saint-Gobain Sekurit Indonesia	18	63.30%	63.30%
Saint-Gobain Development Mozambique Limitada (formerly BPB Gypsum Ltda)	19	99.00%	99.00%
Gypsum Industries (Pty) Ltd	20	100.00%	100.00%
SAGEX	21	100.00%	100.00%

Notes to the Financial Statements - continued
for the year ended 31 December 2021

6. INVESTMENTS - continued

	Registered Office	Ownership of shares and voting rights	
	see key below	2021	2020
SG Isover South Africa (Pty) Limited	22	100.00%	100.00%
Saint-Gobain Mining (Pty) Ltd	22	100.00%	100.00%
Saint-Gobain Weber South Africa (Pty) Ltd	22	100.00%	100.00%
Selcotrade 35 (Pty) Limited	22	100.00%	100.00%
Spunbond Insulation (Pty) Ltd	22	100.00%	100.00%
Saint-Gobain Construction Products South Africa (PTY) Ltd	22	100.00%	100.00%
Yesos Maria Morales SA	23	100.00%	100.00%
Saint-Gobain Gypsum (Shanghai) Co. Ltd	24	99.70%	99.70%
Placo Argentina SA	25	68.62%	68.58%
Saint-Gobain Gyproc Middle East FZE	26	100.00%	100.00%
Saint-Gobain Construction Products Belgium	27	100.00%	100.00%
Saint-Gobain Gyproc Emirates Industries LLC	28	49.00%	49.00%
Saint-Gobain Al Rafah LLC	29	70.00%	70.00%
Saint-Gobain Gypsum (Chang Zhou) Co Limited	30	100.00%	100.00%
Protenna AB	31	25.00%	25.00%
Gyproc Business Park (Erith) Limited	32	51.00%	51.00%
Transportes Yeso LTDA	33	30.00%	30.00%
STAC - SWYS Tile Adhesive CY	34	100.00%	100.00%
Stanton Limited (Liquidation)	35	100.00%	100.00%
Thaigips Holdings Limited	36	100.00%	100.00%
Gypsum Metropolitan Company Limited	36	44.54%	44.54%
Saint-Gobain Sekurit India LTD	37	6.00%	6.00%
Fiberglass Colombia	38	13.60%	13.60%
Fibras Fivenglass SA	39	13.60%	13.60%
Solcrom S.A	40	13.60%	13.60%
Saint-Gobain Formula GMBH	41	6.00%	6.00%
Technokarton GMBH	42	1.74%	1.74%
Tecnokarton Beteiligungs OHG (shares allotted 01/01/2019)	42	1.74%	1.74%
Tecnokarton GMBH&Co Fabrikation Technischen Kartons KG	42	1.74%	1.74%
Saint-Gobain Rigips GMBH	43	6.00%	6.00%
PG Group Holdings Proprietary Limited	44	20.00%	20.00%
PG Group (Proprietary) LTD	44	20.00%	10.00%
BPB Paperboard Limited	45	100.00%	100.00%
Cantones S.A.U	46	30.28%	0.00%
Omnex SA	47	10.00%	0.00%
Sunstreet Solar Private Limited	48	6.09%	0.00%

† Direct holding

Notes to the Financial Statements - continued
for the year ended 31 December 2021

6. INVESTMENTS - continued

Registered office address key:

- 1 Saint-Gobain House East Leake, Loughborough, Leicestershire, United Kingdom, LE12 6JU
- 2 Robert Jacobsens Vej 62A 2300, Copenhagen S, Denmark
- 3 539/2 Gypsum Metropolitan Tower, Si Ayutthaya Road, Thanon, Phayatai Sub-district Ratchathewi District, Bangkok Metropolis
- 4 No.968 WangQiao Road, Pudong New District, Shanghai, China
- 5 Huifakkerstraat 18, 4815 PN, Breda, Netherlands
- 6 C/o Ernst & Young, 2ème étage, Manica Chambers, Herbert Chitepo Street, Mutare, Zimbabwe
- 7 Delpport Road, Cleveland Park, Msasa, Harare, Zimbabwe
- 8 Delpport Road, Cleveland Park, Msasa, Harare, Zimbabwe
- 9 1 Coleman Street, #10-07, The Adelphi, Singapore 179803
- 10 21/F Far East Finance Centre, 16 Harcourt Road, Hong Kong
- 11 Sigapi Aachi Building, Floor No. 7, 18/3, Rukmini Lakshmiopathy Road, Egmore, Chennai, Tamil Nadu, 600008, India
- 12 C/o Carey Y Cia Ltda, Miraflores 222, Piso 24, Santiago, Chile
- 13 Agustinas 1357, 10 Piso, Santiago, Chile
- 14 AV. Valentina Mello Freire Borenstein, Dona Loloya 333 Jardim Sao Francisco, 08735-270 Mogi Das Cruzes, Sao Paulo SP, Brazil
- 15 539/2 Sri Ayudhya Road, Rajathewee District, Bangkok 10400
- 16 64/8 Moo 4 Eastern Seaboard Industrial Estates, T.Pluakdaeng, A.Pluakdaeng, Rayong, 21140, Thailand
- 17 Kawasan Industri MM2100, Ji Aru Blok AE8, Kel. Jatiwangi, Kec. Cikarang Barat, Kabupaten Bekasi, Jawa Barat, Indonesia
- 18 Alamanda Tower, Jl. TB. Simatupang Kav. 23-24, 20th Floor, Cilandak Barat, Jakarta, 12430, Indonesia
- 19 1st Floor, Millenium Park Building, Ave. Vladamire Lenine, 146, Maputo, Mozambique
- 20 300 Janadel Avenue, Halfway House, Midrand, 1685, South Africa
- 21 2 Eglin Road, Sunninghill, Gauteng, 2157, South Africa
- 22 300 Janadel Avenue, Halfway House, Midrand, 1685, South Africa
- 23 132 Principe De Vergara, 28002, Madrid, Spain
- 24 968 Wang Qiao Road Wang Qiao, Industrial Zone Pu-Dong New Area, Shangai, 201201, China
- 25 556, Lavalle, Piso 3º E, Buenos Aires, Argentina
- 26 Saba 1, Suite 3302 PO Box 261107 Jumeirah Lake Towers, Dubai, United Arab Emirates
- 27 9 Sint Jansweg, Haven 1602, B-9130 Beveren-Kallo, Belgium
- 28 PO Box 38983, Abu Dhabi, United Arab Emirates
- 29 PO Box 6 Postal Code 222, Raoyah, Thumrait Sultanate of Oman, Oman
- 30 No.25, Tongjiang Road(N), Chunjiang Town, Xinbei District, Chang Zhou, Jiang Su Province, China
- 31 C/O Heibelberg Cement Sweden AB, Box 47055, 10074, Stockholm, Sweden
- 32 40-50 Windmill Street, Gravesend, Kent, DA12 1BG
- 33 Concha y Toro, N° 0602, Puente Alto, Santiago, Chile
- 34 Suite 125, 90 kingbolt Creescent Wapadrand, Pretoria 0050, South Africa
- 35 Tower Bridge House, St Katharine's Way, London, E1W 1D
- 36 539/2 Sri Ayudhya Road, Rajathewee District, Bangkok 10400
- 37 Plot No. 616 & 617, Village Kuruli, Pune-Nashik Road, Chakan, Pune, Maharashtra, 410501, India
- 38 Calle 3 3-49 Este, Mosquera, Cudinamarca, Colombia
- 39 Calle Norte, Local Fibras Fivenglass, Zona Industrial Soco, La Victoria, Venezuela
- 40 To be confirmed with Company Secretary
- 41 Kutzhuetten, 37445, Walkenried, Germany
- 42 Polcher Strasse 113, D-56727 Mayen, Germany
- 43 Schanzenstrasse 84, 40549, Dusseldorf, Germany
- 44 18 Skeen Boulevard, Bedfordview, Johannesburg, 2007, South Africa
- 45 300 Crownpoint Road, Glasgow, West Central Lowlands, G40 2UJ
- 46 Suipacha 1111, Piso 18, Ciudad Autónoma de Buenos Aires, Buenos Aires, Argentina
- 47 Avenue Alexander Fleming 1, 1348 Ottignies-Louvain-la-Neuve, Belgium
- 48 Flat 401A, Shree Guru Harkrishna Bhavan, Dr. Charat Singh, colony, A.K.Road, Andheri East, Mumbai, Mumbai, 400093, India

Notes to the Financial Statements - continued
for the year ended 31 December 2021

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£'000	£'000
Intra group cash pooling balances	<u>7</u>	<u>-</u>

Cash pooling balances are repayable on demand and interest is charged/credited at a variable arms-length value.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£'000	£'000
Tax	<u>1</u>	<u>2</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:
Number: Class:

	Nominal value:	2021	2020
		£'000	£'000
377,156,390 Ordinary	90p	<u>3,394,408</u>	<u>3,394,408</u>

10. RESERVES

	Retained earnings £'000
At 1 January 2021	377,154
Profit for the year	74,608
Dividends	<u>(74,600)</u>
At 31 December 2021	<u>377,162</u>
	Retained earnings £'000
At 1 January 2020	377,152
Profit for the year	200,825
Dividends	<u>(200,823)</u>
At 31 December 2020	<u>377,154</u>

Dividend policy and distributable reserves

The company generally follows the Saint-Gobain group policy of upstreaming 100% of the dividends received last year, plus 75% of other profits after tax for the previous financial year, however in 2019 these payments were accelerated in advance of potential tax rises in France following Brexit and in 2020 the dividend received was immediately paid upward. Its distributable reserves comprise the profit and loss account as shown in the financial statements.

11. ULTIMATE CONTROLLING PARTY

The ultimate and controlling party parent company is Compagnie de Saint-Gobain, which is incorporated in France and listed on the Paris, London, Frankfurt and other major European stock exchanges.

The largest group in which the results of the company are consolidated is that headed by Compagnie de Saint-Gobain. The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards as adopted by the EU. No other group financial statements include the results of the company.

Copies of the Compagnie de Saint-Gobain Group financial statements may be obtained from the Corporate Secretary at the company's registered address, Tour Saint-Gobain, 12 Place de l'Iris, 92400 Courbevoie, France.

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

12. ACCOUNTING ESTIMATES AND JUDGEMENTS

The carrying amounts of the company's investment is reviewed at each balance sheet date. In testing for impairment management have made certain assumptions concerning the future development of the underlying business that is consistent with the long range plan for the entity. The future cash flows have been discounted to provide a net present value for the business based on a rate of 7.25%.