



## TAX STRATEGY – W&R BARNETT LIMITED

### 1. Introduction

Under the requirements of Schedule 19 of the Finance Act 2016, the Group has considered its approach to tax risk management and its attitude towards tax planning. This document, approved by the Board Directors of W&R Barnett Limited, sets out the Group's policy and approach to conducting its tax affairs and dealing with tax risk.

In this document, the term Group refers to W&R Barnett Limited, its parent undertaking W&R Barnett Holdings Limited and all of its subsidiary undertakings. This document will be made available to all of the Group's stakeholders and the general public.

The Group's policy and approach is overseen by the Group Finance Director and is periodically reviewed by, and any amendments approved by, the Board of Directors. The tax strategy set out in this document is effective for the financial year ended 31 July 2022, and is compliant with the requirements of para 16(2) and 25(1) of Schedule 19, Finance Act 2016.

The Group is committed to conducting its tax affairs in line with the following main objectives:

- Compliance with all relevant tax laws, rules, regulations and reporting and disclosure requirements, in all jurisdictions in which we operate;
- Maintenance of an open, professional, constructive and transparent relationship with tax authorities, based on collaboration and integrity;
- Application of diligence and care in the management of all the processes and procedures by which tax related activities are undertaken and ensuring that tax governance and assurance procedures are appropriate; and
- Usage of incentives and reliefs to minimise the tax cost of conducting our business, while ensuring that use of these incentives and reliefs are not knowingly contradictory to the intention of the legislation.

### 2. Compliance with Laws, Rules and Regulations

The Group is committed to observing all applicable laws, rules, regulations and reporting and disclosure requirements, wherever there is a requirement to do so as a result of our business presence and transactions.

The Group aims for certainty on tax positions it adopts, but where tax law is unclear or subject to interpretation, written advice or confirmation will be sought to help ensure compliance with all applicable laws, rules, regulations and reporting and disclosure requirements. Finance teams within the Group will engage suitably qualified external advisers to provide advice and ensure compliance where necessary.

Compliance with all relevant legal disclosure and approval requirements will be adopted and all information will be clearly presented to the relevant tax authorities or bodies as appropriate.

### **3. Working with Tax Authorities**

The Group is committed to the principles of openness and transparency in its approach to dealing with tax authorities, government officials, ministers and other third parties, wherever we operate around the world. In particular we are committed to:

- Making fair, accurate and timely disclosures in correspondence and returns, and responding to queries and information requests in a timely manner;
- Seeking to resolve issues in a timely manner and where disagreements arise, working with tax authorities to resolve by agreement where possible;
- Being open and transparent about our decision-making, governance and tax planning;
- Interpreting relevant laws in a reasonable way;
- Ensuring all interactions are conducted in an open, collaborative and professional manner; and
- Monitoring policy consultations and engaging with tax authorities on matters relevant to the business, either individually or through appropriate industry bodies and third party advisors.

### **4. Tax Risk Management**

Management of the Group's tax affairs is a complex process, spanning many functional areas of the business. The Group's approach is to maintain a conservative position towards managing tax risk.

The Group Finance Director ensures that suitably competent resource is available to meet the objective of the Group and when the need arises ensures the expertise of our employees is supplemented by the use of suitably qualified external providers.

To manage the tax risk of the parent and its subsidiaries the following steps are undertaken;

- All employees involved in the compliance of tax returns and disclosures will have adequate training in place to ensure the computation and returns documentation is accurate and completed in a timely manner;
- Where any tax filings are undertaken by external providers we will ensure all appropriate information is supplied and a review carried out to ensure they are accurately completed;
- The Group shall ensure that the finance teams are aware and involved in any new business activities or ventures to ensure that any appropriate tax compliance and reporting consequences have been considered and implemented.

Diligent professional care and judgement will be employed to assess tax risks in order to arrive at well-reasoned conclusions on how risks should be managed. Where there is uncertainty as to the application or interpretation of tax law, suitably qualified external tax advisers may be engaged to support the decision making process.

When assessing the tax risks of an action or decision, the following points will be considered:

- Legal and fiduciary duties of directors;
- Maintenance of the Group's reputation, brand, corporate and social responsibilities;
- Tax benefits and impact on the reported results, comparative to the potential costs involved;

- Wider consequences of potential disagreement with tax authorities and any potential impact on our relationships with tax authorities.

## **5. Attitude to Tax Planning**

All transactions have a business purpose or commercial rationale. The Group's tax planning is carried out to support the commercial needs of the business by ensuring that the Group's affairs are carried out in the most tax efficient manner, whilst remaining compliant with relevant tax laws. Prominence of commercial needs will in no circumstances override compliance with relevant tax laws. The Group does not enter transactions solely for a tax benefit.

The Group's finance teams will assess the tax consequences during the commercial decision making process and will engage with suitably qualified external advisers to provide advice and ensure compliance with relevant tax laws where necessary.

When considering tax planning initiatives, due consideration will also be given to the Group's reputation, brand, corporate and social responsibilities, as well as the applicable legal and fiduciary duties of directors and employees of the Group.

There may be circumstances where the amount of tax legally payable may not be clearly assessed, or where alternative acceptable approaches may result in different tax outcomes. The Group will use best judgement and will work proactively with tax authorities to determine an appropriate course of action in such cases and minimise the extent of any disputes.

Signed on behalf of W&R Barnett Limited

**Neillus McDonnell**

Senior Accounting Officer