

## **TAX STRATEGY – W&R BARNETT LIMITED**

### **1. Introduction**

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. This document will be made available to all of the Group's stakeholders and the general public. The Group's policy and approach will be periodically reviewed, with amendments approved by the Board of Directors. The document is effective for the financial year ending 31 July 2019.

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 of 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 external tax 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; and
- Ensuring all interactions are conducted in an open, collaborative and professional manner.

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

Management of the Group's tax affairs is a complex process, spanning many functional areas of the business.

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, 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;
- Requirements of internal policies and procedures;
- Maintenance of the Group's reputation, brand, corporate and social responsibilities;
- Tax benefits and impact of the Group's 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**

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. All transactions must therefore have a business purpose or commercial rationale. Prominence of commercial needs will in no circumstances override compliance with relevant tax laws.

The Group's finance teams will assess the tax consequences during the commercial decision making process and will engage with external tax 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 defined, or where alternative approaches may result in different tax outcomes. The Group will use best judgement in determine an appropriate course of action in such cases.

Signed on behalf of W&R Barnett Limited

**Neillus McDonnell**

Senior Accounting Officer