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## UK Tax Strategy

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### SCOPE

This Strategy is prepared in accordance with the requirements of Part 2 Schedule 19, Finance Act 2016 in relation to the financial year ended 31 March 2022. It applies to Howarth Timber Group Limited and all subsidiary undertakings. The strategy is being published in accordance with paragraph 16(2) of the Schedule.

This strategy applies from the date of publication until it is superseded. The strategy is reviewed by the board annually.

### GOVERNANCE IN RELATION TO UK TAXATION

The Group Board is responsible for the Group's tax strategy and compliance. The Group Finance Director is responsible for tax and advises the Board of all tax compliance and reporting matters. The Group Finance Director works with the finance teams in each subsidiary undertaking to manage the UK tax compliance and risk.

The Group is committed to:

- Following all applicable laws and regulations relating to its tax activities;
- Maintaining an open and honest relationship with the tax authorities based on collaboration and integrity;
- Ensuring that the tax strategy is adopted consistently and in line with the Group's overall strategy and values;
- Applying diligence and care in our management of tax risks and ensuring that our tax governance is appropriate;
- Using incentives and reliefs to minimise the tax cost of conducting our business while ensuring that these reliefs are not used for purposes which are knowingly contradictory to the intent of the legislation.

### RISK MANAGEMENT

The Group takes a conservative approach to tax risk and is committed to complying with tax law and practice in the UK.

The Group seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations. Processes relating to different taxes are allocated to appropriate individuals, with appropriate training given, and reviews carried out of activities and processes to identify key risks and ensure appropriate mitigating controls are in place.

These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required.

Advice is sought from external advisers where appropriate.

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### **TAX PLANNING**

Group tax planning is driven by the current commercial needs and planned future developments of the business. The Group will seek to minimize uncertainty, risk or disputes and we will engage external advisors as appropriate to achieve this. We do aim to make use of those tax incentives and exemptions intentionally provided in law and to ensure that we comply fully with regulatory and other obligations.

The Group considers that it has a low risk appetite in relation to tax matters and the level of risk which the Group accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the Group's tax affairs.

### **RELATIONSHIP WITH HMRC**

The Group's policy is to approach all dealings with HMRC in an open, transparent and professional manner.

The Group aims to work collaboratively with the tax authorities to achieve certainty of its tax position and to resolve open tax enquiries and disputes as quickly as possible, whilst recognising its responsibility to protect the interests of its stakeholders.

The Group employs professional advisors to assist it with complex areas of its tax affairs.