

## **CranSwick plc Tax Strategy** **Year ending 31 March 2019**

This document sets out the tax strategy for CranSwick plc and its subsidiaries and investments ("the Group") as required by Schedule 19 of Finance Act 2016.

The group is a predominately UK-based business, listed on the UK stock exchange. The strategy applies to all corporation income taxes, indirect taxes and employment taxes payable and reportable to fiscal authorities by the Group globally.

The Group's tax strategy is to ensure that it complies with all tax laws where ever it does business and that it pays all taxes that it is legally required to pay when they fall due.

### **Approach to risk management and governance arrangements**

The governance of the business is led by the Board of Directors, supported by the Audit Committee, with the aim of ensuring that the Group meets its business and financial obligations. The Group has an experienced finance team which is responsible for tax matters. The team engages the services of professional advisers on a retained basis to advise in respect of the relevant taxes payable by the business, including corporation tax, indirect tax and employment tax matters.

The Group considers sufficient controls and processes are in place to meet the Group's strategy. These controls and processes are subject to review over the course of the year by internal audit and recommendations for improvements will always be sought, examined and adopted. The Group's risk registers have specific sections related to tax and these registers and any matters arising are discussed both with management and at the quarterly Group Risk Committee meetings.

The Group's tax position and its compliance with the tax strategy is discussed with the Audit Committee at least twice annually.

### **Attitude to tax planning**

The Group will be transparent and proactive with tax authorities when discussing planning and seek confirmation of treatment where tax law appears unclear. To safeguard its reputation as a responsible taxpayer the Group does not participate in any tax planning arrangements that do not comply with either the legal interpretation or the spirit of tax laws.

The tax strategy is to be aligned with the Group's vision and core values and fits within its overall Corporate Governance structure.

Qualified senior personnel at each of the business activities have responsibilities for their sites and they report into the Group Finance Director who has overall responsibility for the oversight of tax affairs for the Group and he is the Senior Accounting Officer.

### **Level of tax risk tolerated**

While CranSwick will protect shareholder value by adopting tax planning arrangements where appropriate, the Group will only structure its affairs based on sound commercial principles and in full compliance with applicable tax laws.

The group is not prescriptive about the level of tax risk which is acceptable for our business but are committed to paying the right amount of tax at the right time.

### **Approach toward dealing with HMRC**

For UK tax purposes, the Group is a large business serviced by HM Revenue & Customs (HMRC) Large Business directorate. The Group has been assigned a customer compliance manager ("CCM") within HMRC. We have an open relationship with our CCM, communicating on a regular basis to discuss tax matters and business developments.

The Group aims to be transparent, proactive, timely and courteous in its dealings with all tax authorities where it carries out business.

**This tax strategy was approved by the Audit Committee of CranSwick plc on 27<sup>th</sup> March 2019.**