

## **CranSwick plc Tax Strategy** **Year ending 27 March 2021**

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. This strategy takes effect from the date of publication until superseded.

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

The Group's tax strategy supports the Group's overall business strategy by managing its tax affairs to comply with all tax laws and guidelines wherever it does business and by ensuring that it pays all taxes that it is legally required to pay when they fall due. In doing so, the Group seeks to maximise shareholder value while serving the interests of other stakeholders.

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

CranSwick is committed to maintaining the highest standards of business conduct and corporate governance practices. All employees at CranSwick are committed to full compliance with these standards. The tax strategy is aligned to CranSwick's overall approach to corporate governance and risk management.

The governance of the Group 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. Responsibility and accountability for CranSwick's tax strategy ultimately rests with the Chief Financial Officer, supported by the Head of Tax and is overseen by the Board and the Audit Committee. CranSwick employs tax professionals with the necessary experience to partner with the business in addition to providing advice and training to ensure that the Group meets its tax obligations. The Group 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 Tax strategy is implemented across the Group through the tax team and the site finance heads as appropriate. The Group considers sufficient controls and processes are in place to meet the Group's strategy. These controls and processes are subject to monitoring and 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, including a tax compliance register to ensure all filings and payments are made on time to tax authorities, 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 consider all relevant aspects when executing the business strategy, including tax, but is transparent and proactive with tax authorities when discussing planning and seeks 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 and does not undertake any artificial transactions that create a contrived result and are not supported by commercial substance.

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

Qualified senior finance personnel at each of the business activities have responsibility for their site and they report into the Chief Financial Officer who has overall responsibility for the oversight of tax affairs for the Group.

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

Cranswick will protect shareholder value by adopting tax planning arrangements where appropriate, but 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 it considers is acceptable, but is committed to paying the right amount of tax at the right time. The factors considered in assessing tax risks include:

- recognising the legal & fiduciary duties of directors and employees;
- ensuring that any tax planning undertaken needs to generate value for the Group's shareholders, consider the impact on the Group's reputation and relationships with tax authorities and other stakeholders; and
- acknowledging that tax evasion and the facilitation of tax evasion by any person acting on the Group's behalf is strictly prohibited, and that internal controls (including the Group's Anti-facilitation of Tax Evasion Policy) and training enforce this across the Group.

### **Approach to dealing with Tax authorities**

The Group has a professional and constructive relationship with tax authorities based on collaboration, transparency and mutual trust in each of the jurisdictions in which it carries out business. The Group's approach to this is as follows:

- be open and transparent about governance and business developments;
- seek to resolve issues with the Tax Authorities in a constructive and timely manner and where disagreements arise, work with the Tax Authorities to resolve issues through positive negotiation; and
- obtain pre-transaction clearances where appropriate.

**Approved by the Board of Directors of CranSwick plc on 24 March 2021**