

THE WARD GROUP TAX STRATEGY

OVERVIEW

The tax strategy for the Ward Group, approved by the Board of Directors, is published in accordance with Paragraph 17 of Schedule 19 of the Finance Act 2016. It sets out the strategy towards UK taxation adopted by Ward Group Holdings Limited, Ward Real Estate Limited, HB Insulations (Notts) Limited and Donald Ward Limited (hereafter referred to as the Group or the Ward Group).

This strategy has effect from the year ended 31 March 2023 and will remain effective until any amendments are approved by the board, and is subject to annual review.

AIM

The Group is committed to full compliance with all statutory obligations and full disclosure to tax authorities. The Group's tax affairs are managed in a way which is consistent with the Group's commitment to high standards of governance. The Group's policy is to manage the tax affairs in a responsible and transparent manner, to comply with relevant legislation and to have due regard to the Group's reputation.

GOVERNANCE IN RELATION TO UK TAXATION

- Ultimate responsibility for the Group's tax strategy and compliance rests with the Board of the Ward Group;
- Executive management of the Group's tax matters is delegated by the Board to the Finance Director;
- The Finance Director attends board meetings and has executive responsibility for tax matters and communicates with and advises the Board on the tax affairs and risks of the Group, to ensure:
 - the proper control and management of tax risk;
 - the tax position is planned in line with the Group's strategic objectives;
 - the tax charge is correctly stated in the statutory accounts and tax returns; and
 - all tax compliance is completed in a timely manner to HMRC.
- Day-to-day management of the Group's tax affairs is managed by the Finance Director and the finance team, who report to the Finance Director;
- The Finance team is staffed with appropriately qualified individuals;
- The staff responsible for the tax affairs receive appropriate tax training in accordance with their roles.
- The Board ensures that the Group's tax strategy is one of the factors considered in all investments and significant business decisions taken;
- The Finance Director reports directly to the Board on the Group's tax affairs and risks during the year.

TAX PLANNING

The Group believes that it has a responsibility to pay the amount of tax legally due to HMRC when this arises. The Group uses best judgement and external advice where tax due may not be clearly defined or where there are alternative interpretations.

The Group's attitude towards tax planning is such that it only engages in tax planning where this is aligned with the commercial and economic activity of the Group, and it does not lead to an abusive result. When entering into commercial transactions, the Group seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. The Group takes a zero-tolerance approach to the facilitation of tax evasion and is committed to upholding laws relevant to countering tax evasion, including the Criminal Finances Act 2017.

RISK MANAGEMENT AND APPROACH TO TAX RISK

The level of tax risk that the Group accept is consistent with the overall objective of achieving certainty in the Group's tax affairs. The Group see compliance with tax legislation as key to managing tax risk, and understand the importance of tax in the wider context of business decisions. Processes have been

put in place to ensure tax is considered as part of the Group's overall decision making process, with tax risks being escalated through to appropriate levels of management and, ultimately, to the Board when necessary.

All transactions undertaken by the Group have a commercial purpose and the level of tax risk considered acceptable on any transaction is low. Where the tax treatment is uncertain for material transactions, the level of risk is considered via discussions with tax advisors and appropriate action to maintain a low risk is agreed in advance of undertaking a transaction.

External advice is sought as appropriate to ensure that the Group complies fully with its UK tax obligations.

THE GROUP'S APPROACH TO ITS DEALINGS WITH HMRC

An important part of the Group's tax policy is the maintenance and development of a strong, proactive working relationship with HM Revenue & Customs (HMRC). The Group are transparent with HMRC and, in cases of interpretation or complexity, work with HMRC on a real time basis to determine the amount of tax due. In particular, the Group commits to:

- Make accurate and timely disclosure of any inadvertent errors and seek to resolve issues with HMRC in a timely manner.
- Provide full disclosure of all relevant facts where the Group consider the tax treatment to be uncertain.
- Notify HMRC in relation to significant transactions and changes in the business, along with a consideration of any resultant tax issues identified.