

HUTCHINSON GROUP

Tax Strategy

This document, approved by the Hutchinson Group Board, sets out Hutchinson Group policy and approach to conducting its UK tax affairs and dealing with tax risk.

The document will be periodically reviewed by the Hutchinsons team, and any amendments will be approved by the Board of Directors. It is effective for the year ending 31 December 2024.

1. Management of tax risks

The Group operates in a well defined and organised structure. The Board is involved in the management of tax risks, with the Finance Director of H L Hutchinson Ltd being the Senior Accounting Officer (SAO).

The Group believes it has low UK tax risk and seeks to ensure this through: (a) submission of all UK tax returns on a timely basis, including sufficient detail to enable HMRC to form an accurate view of the affairs of the company filing the return; (b) paying the appropriate amount of tax at the right time. Where this view may differ to the position taken by HMRC, the Group aims to be transparent about the filing position it has taken; (c) maintain tax accounting arrangements which are robust and accurate and comply with the Senior Accounting Officer (SAO) provisions; (d) ensuring that the group departments who are involved in the tax processes are both adequately resourced and supported in order to manage tax compliance issues on a timely basis; (e) ensure all tax filing positions are supported with appropriate documentary evidence; and (f) seeking external professional assistance as required.

2. Tax planning

The Group's tax planning aims 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 all relevant laws. The tax function is therefore involved in commercial decision-making processes and provides appropriate input into business proposals to ensure a clear understanding of the tax consequences of any decisions made.

In cases where the tax guidance is unclear or the Group does not feel it has the necessary expert knowledge to assess the tax consequences adequately, external professional advice may be sought to support the Group's decision-making process.

3. Level of tax risk

Tax risks may arise from time to time in relation to the interpretation of tax law and the nature of our tax compliance arrangements. While the Group does not have a prescribed level of acceptable tax risk, tax risks are identified, evaluated, managed and monitored on a case-by-case basis to ensure they remain in line with the Group's overall low tax risk approach. Where there is significant uncertainty or complexity in relation to a risk, external professional advice may be sought and also discussed with HMRC to ensure transparency and compliance in our approach.

4. Working with HMRC

An important part of the Group's tax strategy is the maintenance and development of a co-operative and proactive working relationship with HMRC. We engage with HMRC with honesty, integrity, respect and fairness and in a transparent manner.

The Group will comply with all relevant legal disclosure and approval requirements and all information will be clearly presented to HMRC as appropriate. The Group's strategic aim is to avoid unnecessary disputes with HMRC and thus minimise tax risk.

The publication of this strategy statement is regarded as satisfying the statutory obligation under Para 16(2), Schedule 19, Finance Act 2016 for all the companies in the Hutchinson Group.

6th March 2024