

Tilbury Douglas Group – Tax strategy 2024

Introduction

Tilbury Douglas' tax strategy is to pay the correct amount of tax at the right time and to comply with all laws, regulations, reporting and disclosure requirements in the jurisdictions within which the Group operates (principally the UK). The strategy is also to implement strong process discipline and tax controls, whilst delivering value for the group and making use of legitimate tax reliefs.

Risk management and governance approach

Strong tax governance is of the utmost importance to the Board and forms a central part of the objectives of the Finance function and a personal objective of the Chief Financial Officer.

Tilbury Douglas takes all necessary steps to prevent the facilitation of tax evasion by our staff and associates pursuant to our responsibilities under the Criminal Finances Act 2017, and will conduct business in an honest, lawful, and ethical way, taking a zero-tolerance approach to bribery and corruption of all kinds.

The Group's tax strategy is approved by the Board, and the Chief Financial Officer is accountable for:

- Implementation and communication of the strategy and related policies;
- Design and operation of the tax control framework, which includes appropriate processes and controls; and
- Ensuring that the Finance function has the necessary skills and resources to implement the strategy.

The Chief Financial Officer reports on a regular basis to the Board on the status of the Group's tax affairs. Due care and attention is employed by the Finance function and tax specialists employed by the Group to assess tax risks and to implement steps to mitigate and manage those risks.

The Group operates overwhelmingly in the UK and, as a result, tax risk management focuses on compliance with UK employment taxes, VAT and CIS (Construction Industry Scheme) requirements, as well as Corporation Tax and the Research and Development regime. Tax risks are included on the Finance function's risk register which forms part of the Group's overall risk management process and is subject to a quarterly Board review. Tax specific controls are included within the Group's financial processes.

This approach is supported by advice from professional advisors and dialogue with HMRC where appropriate.

Tax planning approach

The Group believes that it should pay the amounts of tax legally due and does not have an aggressive attitude towards tax planning. Occasionally, there may be situations where the amount due may not be clearly defined, or where alternative approaches may result in differing tax results.

The Group will use its best judgement in determining the appropriate course of action, using available reliefs and incentives where possible (such as the Research and Development regime).

The Group aims to use any tax planning opportunities and reliefs in the spirit in which they were designed to be used and will also ensure they follow the true commercial activities of the Group. The Group will not enter artificial or abusive arrangements to gain a tax advantage.

Risk in relation to UK taxation

As a large business, Tilbury Douglas is inevitably exposed to a level of tax risk and uncertainty. The Group recognises this and attempts to mitigate risks and uncertainty where possible by having clear tax policies, procedures, and internal controls, which are reviewed and monitored.

Tax risk can arise from unclear laws and regulations as well as differences in interpretation. Where there is uncertainty as to how to apply or interpret certain aspects of tax law, for example where there is uncertainty over the tax treatment of a significant activity, Tilbury Douglas may utilise external advisors to support the decision-making process.

Dealings with HMRC

Tilbury Douglas operates adopts an open and transparent approach to its dealing with HMRC and any other tax authorities of the jurisdictions in which it operates. We are committed to creating positive and proactive working relationships with these authorities through regular meetings and communication and strive for all dealings to be conducted in a collaborative and courteous manner, acting promptly to establish certainty and to achieve early resolution of any tax related disputes or queries. We maintain an open and honest relationship with our HMRC Customer Compliance Manager, attending routine business and compliance updates and seeking advice when considered appropriate.

This tax strategy is published in accordance with the duty under paragraph 16(2) of Schedule 19 of the Finance Act 2016 to publish a group tax strategy. It was adopted by the Board of Tilbury Douglas Holdings Limited in February 2024 for all Group subsidiaries and all taxes. It will be reviewed annually by the Board and updated as appropriate.

Matthew Gill

Chief Financial Officer

February 2024