

## Alexander Mann Solutions | Tax Strategy

Auxey Holdco Limited (“AMS”) regards the publication of this tax strategy as complying with its duty under paragraph 16(2) of Schedule 19 of the Finance Act 2016 to publish its Group tax strategy in the current financial year.

### 1. Approach of the UK Group to risk management and governance arrangements in relation to UK taxation

#### 1.1 Governance

Responsibility for the tax strategy, the supporting governance framework and management of tax risk ultimately sits with the Chief Financial Officer. Day-to-day responsibility for each of these areas sits with the Group Financial Controller.

The Group's tax strategy aligns to the Group's wider risk and control framework. Key risks and issues related to tax are escalated to and considered by the Group Audit Committee on a regular basis and the overall approach is overseen by the Board.

#### 1.2 Tax risk management

The firm operates presently in 27 countries and is exposed to a variety of tax risks as follows:

##### 1.2.1 Tax compliance and reporting risks

Risks associated with compliance failures such as submission of late or inaccurate returns, the failure to submit claims and elections on time or where systems and processes are not sufficiently robust to support tax compliance and reporting requirements.

##### 1.2.2 Transactional risks

Risks associated with undertaking transactions without appropriate consideration of the potential tax consequences or where advice taken is not correctly implemented.

##### 1.2.3 Reputational risks

Non-financial tax risks that may have an impact on the Group's relationships with shareholders, clients, tax authorities and the general public.

- The Group aims to manage tax risk in a similar way to any area of operational risk across the Group. The business is supported by oversight functions, including Finance, Risk and HR.
- The Group has looked at the activities and responsibilities of the Group Finance function and in 2016 increased the level of resources available to it in key overseas territories. The Group will continue to look at resourcing and will assess headcount within the function as the scale and complexity of the business evolves.
- Where appropriate, the firm looks to engage with tax authorities to disclose and resolve issues, risks and uncertain tax positions. The subjective nature of global tax legislation means that it is often not possible to mitigate all known tax risks. As a result, at any given time, the Group may be exposed to financial and reputational risks arising from its tax affairs

## **2. Attitude of the Group to tax planning**

Our values – authentic, distinctive, passionate and brave – make Alexander Mann Solutions who we are by shaping how we act. Being a responsible global corporate citizen is central to our culture – and firmly embedded in our values and the way we do business. We act responsibly in all our relationships with clients, employees and communities around the world and this applies to our approach to tax.

Alexander Mann Solutions is a responsible taxpayer. This is recognised by the tax strategy, which establishes a clear Group-wide approach based on openness and transparency in all aspects of tax reporting and compliance, wherever the company and its subsidiaries operate. Alexander Mann Solutions recognises it has a responsibility to pay an appropriate amount of tax in each of the jurisdictions in which it operates. The Group aims to balance this with its responsibility to its shareholders to structure its affairs in an efficient manner. Alexander Mann Solutions does not undertake aggressive tax planning for the purpose of tax avoidance and we understand the importance of corporations not willfully engaging in tax schemes that go against the intention of legislative authority.

It is of primary importance that Alexander Mann Solutions pays the correct amount of tax at the right time, under all relevant laws and regulations.

## **3. Level of risk in relation to taxation that the Group is prepared to accept**

The Group has minimal appetite for tax risk.

## **4. Approach towards dealings with HMRC**

The Group seeks to comply with its tax filing, tax reporting and tax payment obligations globally. The Group finance team is required to foster good relationships with HMRC, and in particular the Chief Financial Officer and Group Financial Controller will:

- Pro-actively manage Alexander Mann Solutions' relationship with HMRC with the aim of minimising the risk of challenge, dispute or damage to its credibility
- Participate in any tax authority formal consultation process where it is expected that the matter under consultation will have a material impact on the Group's liability or the Group's tax compliance management

This tax strategy was approved by the Board of Auxey Holdco Limited on 04 October 2019.