

Date: October 2022

Issue: 4.0



# AWE Company Policy statement

## Tax Strategy

### Guiding principles

AWE plc is committed to ensuring that it pays the correct amount of tax. We strive to comply with all applicable tax regulations and we reaffirm our commitment to safeguard our reputation and to be a responsible taxpayer.

This strategy has been published in accordance with schedule 19 of the Finance Act 2016.

### Governance

The CFO has been delegated the responsibility for AWE plc's tax strategy by the CEO, who is the Accounting Officer. The CFO is responsible for upholding our commitment to being a responsible taxpayer, both compliant and transparent on all tax matters and acting fairly, responsibly and with integrity in all dealings with tax authorities.

AWE plc's tax strategy complies with the requirements set out in Managing Public Money which sets out the principles and behaviours expected of a central Government body, recognising that we have a duty to deliver value for money to the taxpayer.

AWE plc's activities generate a variety of taxes. We pay corporate taxes, employment and other taxes. In addition, we collect and pay employee taxes as well as indirect taxes such as excise duties and VAT.

The approach to managing our tax affairs, as set out in this strategy document is approved by the AWE plc Board.

### Commitment to Tax Compliance

AWE plc is committed to conducting its tax affairs consistent with the following objectives:

- To comply with all relevant laws, rules, regulations and ensures that the group pays the tax it is legally obliged to pay; and
- To apply due professional diligence and care in the management of risks associated with tax matters, and in doing so ensure that appropriate governance and assurance procedures are implemented to safeguard the group reputation as a responsible taxpayer.

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**Tax principles**

The following principles will be adopted to ensure that AWE plc meets its tax objectives:

*Calculation and payment of taxes, tax returns and other tax obligations*

- All taxes should be correctly calculated in accordance with the law and paid when due.
- Statutory tax returns for all taxes should be filed correctly, contain accurate information and filed on a timely basis.

**Managing and controlling tax liabilities**

- Ordinary commercial transactions will be structured such that any resultant tax liabilities are understood and can be settled appropriately.
- Artificial structures designed to save tax, with no commercial or economic substance will not be used.
- Tax structuring will not be allowed to disrupt the business or be in conflict with operational goals.
- Tax structuring which might reasonably be expected to have a negative impact on the group's reputation will not be considered.

**Tax risk management**

AWE plc is proactive in managing all financial risks, including tax risks and utilises a robust governance framework through its business such that any tax risks are highlighted and managed.

In setting the tax objectives and principles, AWE plc seeks to adopt a zero-risk approach to ensure that the group pays all taxes the group is legally obliged to pay and is fully compliant with all tax rules and regulations.

AWE plc will not engage in, or connive at, tax evasion, tax avoidance or tax planning as set out in Managing Public Money.

**Our approach to dealing with tax authorities**

We work together with the tax authorities in a style that is open, honest and pro-actively informing HMRC of key issues affecting the group through regular contact and dialogues to ensure complete transparency of our tax liabilities and obligations.

**List of Entities covered by this tax strategy**

- AWE plc
- AWE Pension Trustees Limited

Signature of Accountable Person



Paul Brown

Finance Director

**Change History**

Previous Issue No and Date	Revisions Made
4518 October 2019 Issue 3.0	Updated with current tax amendments