

Henry Boot

Tax strategy

2023

This tax strategy applies to Henry Boot PLC and its 51% in subsidiaries in accordance with Schedule 19 of the Finance Act 2016.

1. Background

Henry Boot PLC is the parent company of the long-standing Sheffield-based Henry Boot group of companies ('the Group'), and is one of the UK's leading property investment and development, land promotion and construction groups.

Henry Boot PLC is historically a family business founded in 1886 and was the first ever quoted house-builder, which floated on the London Stock Exchange in 1919 and is still listed today. The Group adopts an approach to tax which maintains the standard set by its founder, referred to as 'The Henry Boot Way'. This standard is embedded in the Group's approach to tax governance and compliance with tax legislation and combines the Group's enthusiasm for compliance, core values, corporate responsibility and its commitment to achieving and maintaining a high standard of corporate governance.

2. Tax strategy

Our Tax Strategy impacts all taxes affecting the Group and is driven by the Group Finance Director, who is the Group's 'Senior Accounting Officer', and is supported by the Group's Board of Directors.

Our Tax Strategy reflects our core values, which include a focus on integrity and collaboration; we stay true to our word, operate professionally and ethically, and champion an honest, fair way of working and encourage collaboration both internally and externally to ensure we are tax compliant.

In summary, our tax strategy is to apply The Henry Boot Way by committing to being fully-compliant with UK tax legislation, by managing our exposure to tax risks and non-compliance to ensure we calculate and pay the correct taxes, and being open and transparent with HMRC regarding our tax affairs.

3. Tax governance and risk management

Henry Boot PLC is a compliance-focused Group, which is rooted in its long established reputation as an ethical and trusted business. The 'Henry Boot Way' specifically states 'we do what is right, not what is easy' which reflects our enthusiasm to not only be compliant with tax legislation and pay the correct taxes regardless of the amount, but to also approach tax in the spirit intended by the legislation.

The Group has a number of established policies in place to ensure that responsible tax practices are embedded in the way we conduct our business. These practices are supported by clear Anti-Bribery and Corruption, Ethics, Whistleblowing, Data Protection and Equality and Diversity policies which demonstrate our commitment to ethical behaviour.

The Group Finance Director, supported by the Board of Directors, always aims to achieve and maintain a high standard of corporate governance. The Group Finance Director has responsibility for the group's taxes and reports to the Board. The Group

Finance Director is supported by a wider finance team to whom the Group Tax Policy is communicated to ensure tax compliance and to drive consistent, appropriate, tax behaviours. The Group operates a clear and structured approach to tax reporting which ensures that there are multiple levels of review and that any tax risks are identified and escalated to the Group Finance Director and the Board for consideration and management/mitigation. In addition, each group operating division reviews its own system of internal controls and reports twice a year to the Audit Committee.

As a Group we are risk averse in nature and we seek to ensure we are aware of our obligations across all applicable taxes. We also seek to mitigate tax risk wherever possible, although in today's uncertain environment it is to be expected that there will always be an element of tax risk.

Our teams who carry tax responsibility are well-educated in our tax processes via compliance with the CPD requirements of relevant professional bodies, and through tax-specific training. However, the Group will seek external advice from reputable external professional firms where there is any element of uncertainty in applying UK tax legislation to our financial results. The Chief Financial Officer is responsible for managing relationships with external advisors and for ensuring sufficient processes are in place to achieve our high standards of tax governance and compliance.

The Group does not operate any tax KPIs; instead our measurement of a successful tax position is by calculating and paying the correct taxes and meeting our tax filing obligations.

4. Attitude to tax planning and tax risk

Henry Boot PLC has a low appetite for tax planning risk. As above, the Group seeks to be compliant and act in accordance with, and within the spirit of, relevant UK tax legislation. We only consider planning which is aligned with our commercial operations and our judgements are benchmarked against tax legislation, the intentions of Parliament and commonly accepted practice.

Henry Boot PLC will consider the application of relevant and available tax reliefs but only where these are statutory reliefs. Where tax reliefs are claimed, we typically consult with external advisors who are suitably qualified to ensure tax compliance.

We do not operate any thresholds over which tax risk is acceptable or adopt any materiality policies; we prioritise calculating and paying the correct taxes.

5. Relationships with tax authorities and governments

The Group's core values include a focus on collaboration and these values are embedded in the Group's corporate culture and applied to all business activities, whether this is dealing with stakeholders, business partners, the public or in our dealings with HMRC.

We aim at all times to maintain an open and honest relationship with HMRC. This includes compliance with legislative requirements and cooperating with HMRC whenever required. Whilst the Group does not currently have an HMRC Customer

Relationship Manager, we seek to demonstrate consistently open and collaborative behaviours in our communications with HMRC and actively encourage open dialogue. Occasionally we participate in HMRC pilots which reflects our commitment to collaboration and supports the development of the UK's tax system. The Chief Financial Officer is responsible for maintaining the Group's relationship with HMRC. Our approach to tax as defined in this Tax Strategy is applicable across the Henry Boot PLC group of companies. This Tax Strategy has been reviewed and approved by the SAO (Senior Accounting Officer) on 19 May 2023 and will be reviewed and approved annually in line with the Tax Strategy legislative requirements