

Imperial Mobility UK Limited and subsidiaries

Tax Strategy for year ended 30 June 2021



Scope

This Tax Strategy applies to Imperial Mobility UK Limited and to the group of companies headed by Imperial Mobility UK Limited ('the Group') in accordance with paragraph 19 of Schedule 19 to the Finance Act 2016 ('the Schedule'). A list of the UK entities which are members of the Group is set out in Appendix I. The Tax Strategy is being published in accordance with paragraph 16(2) of the Schedule.

This Tax Strategy applies from the date of publication until it is superseded. References to 'UK taxation' are to the taxes and duties set out in paragraph 15(1) of the Schedule which include income tax, corporation tax, diverted profits tax, PAYE, NIC, VAT, insurance premium tax, customs duties, excise duties, and stamp duty land tax. References to 'tax', 'taxes' or 'taxation' are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which the Group has legal responsibilities.

This Tax Strategy, in relation to financial year ending 30 June 2021, was approved by the Board of Imperial Mobility UK Limited on 11th February 2021. Any subsequent amendments to this Tax Strategy will be approved by the Board.

Aim

The Group is committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The Group's tax affairs are managed in a way which takes into account the Group's wider corporate reputation in line with their overall high standards of governance.

Governance in relation to UK taxation

Ultimate responsibility for the Group's Tax Strategy and tax compliance rests with the Board of Imperial Mobility UK Limited ('the Board').

Executive management of tax matters, including the Group's Tax Strategy is delegated by the Board to the Group Finance Director of Imperial Logistics Holding UK Limited.

The financial and risk review committee ('FRRC') are required to monitor the integrity of the Group's financial reporting system, internal controls and risk management framework, which expressly includes those elements relating to taxation.

Day-to-day management of the Group's tax affairs is delegated to the Group Financial Controller, who reports to the Group Finance Director on a regular basis, supported by the Group Senior Tax Manager.

The finance and human resources departments are staffed with appropriately qualified individuals.

The Board ensures that the Group's Tax Strategy is one of the factors considered in all investments and significant business decisions taken.

The Group Finance Director reports on matters relating to the Group's tax affairs and risks to the FRRC and the Board.

Risk management

The Group operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the Group's financial reporting system.

The Group seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations.

Processes relating to different taxes are allocated to appropriate process owners, who carry out a review of activities and processes to identify key risks and mitigating controls in place. These key risks are monitored for business and legislative changes which may impact them, and changes to processes or controls are made when required.

Appropriate training is carried out for staff outside of the finance and human resources departments who manage or process transactions which have tax implications.

The Group Senior Tax Manager is consulted where new transactions, operations or processes are proposed which may have tax implications. Further advice is sought from external advisers where necessary and appropriate.

Attitude towards tax planning and level of risk

The Group manages risks to ensure compliance with legal requirements in a manner which seeks to ensure payment of the right amount of tax.

When entering into commercial transactions, the Group seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, the prevailing tax legislation. The Group does not undertake tax planning unrelated to such commercial transactions.

The level of risk which the Group accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the Group's tax affairs. At all times the Group seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen. In relation to any specific issue or transaction, the Group Finance Director is ultimately responsible for identifying the risks, including tax risks, which need to be addressed and for determining what actions should be taken to manage those risks, having regard to the materiality of the amounts and obligations in question.

Relationship with HMRC

The Group seeks to have a transparent relationship with HMRC through communication and disclosure of material matters in respect of developments in the Group's business, its current, future and retrospective tax risks, and interpretation of the law in relation to all relevant UK taxes.

The Group ensures that HMRC is kept aware of significant transactions and changes in the business and seeks to discuss any material tax issues arising at an early stage. When submitting tax computations and returns to HMRC, the UK entities within the Group disclose all relevant facts and identify any transactions or issues where they consider that there is potential for the tax treatment to be uncertain.

Any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.

Appendix I

List of UK entities covered by this Tax Strategy

- Imperial Mobility UK Limited
- Imperial Logistics Holding UK Limited
- Palletways Group Limited
- Palletways (Europe) Limited
- Palletways Finance Limited
- Palletways Holdings Limited
- Palletways (UK) Limited