

The Lawton Tube Group (“the Group”) is the UK’s leading copper tubes and copper pipes supplier with global reach. Through a vast network of national and independent merchants the Group sells plumbing and air-conditioning copper tube, as well as being the largest UK medical gas copper tube and pipes distributor.

This Tax Strategy is approved by the Board and is subject to an annual review and is published in reference to the financial year ending 30 September 2023. Publication of this strategy complies with the requirements of Paragraph 16 (2) and (4) of Schedule 19 Finance Act 2016.

The Lawton Tube Group Tax Strategy

The purpose of this Tax Strategy is to communicate the Group’s policy for the management of tax. It is important to ensure that consistent and effective tax standards are maintained across the Group, as tax (both direct and indirect) can have a significant cash and profit & loss impact on many of the Group’s business activities. This Tax Strategy sets out the Group’s approach to managing the Group’s tax affairs and the associated risks.

The Lawton Tube Group Tax Strategy is as follows:

- The Group complies with the spirit as well as the letter of the law in all the countries in which we operate, and we seek to pay the right amount of tax at the right time and in the right place.
- The Group has established controls and risk management processes to reduce the risk of non-compliance or misstatement and to enable identification of key risks.
- The Group manages taxes efficiently to support our business activities. The Group does not engage in tax evasion or tax planning which aims to achieve results contrary to the spirit of any tax legislation.
- The Group’s tax strategy is in line with the overall strategy and operation of the business.
- The Group aims to build meaningful relationships and maintain open dialogue with UK and overseas tax authorities.

Tax risk management and governance arrangements

The Board member with executive responsibility for tax matters is the Director of Finance, who is also the Senior Accounting Officer (SAO) under the UK tax legislation in Schedule 46 Finance Act 2009.

The main duty of the SAO is to take reasonable steps to ensure the Group establishes and maintains appropriate tax accounting arrangements to enable the Group to fulfil its tax compliance obligations.

The Group maintains appropriate tax accounting arrangements by putting controls in place to reduce the risk of non-compliance or misstatement of the Group’s tax liabilities and to identify key tax risks.

The Group does this through:

- Regular communication with finance and other relevant staff to keep informed of any significant business developments;
- Involvement in all acquisitions including review of financial and tax due diligence reports;
- Monitoring and assessing the impact of changes in tax legislation;
- Consultation with reputable external tax advisors when necessary.

Attitude to tax planning and level of tax risk

The Group believes it is important to plan its business operations so that it can comply with all tax obligations and believes it is important to consider the tax consequences of significant transactions before they are carried out.

External tax advisors are consulted on the tax consequences of certain transactions including acquisitions and restructuring. They advise on tax planning and risks and offer expertise on recent or pending changes in relevant tax legislation to ensure compliance with all relevant laws, rules, regulations, and reporting and disclosure requirements.

The Group's attitude to tax planning is to ensure it complies with all legal requirements but noting that there is always a degree of taxation risk. This arises due to factors including complex and changing tax legislation, the scope for disagreement over the interpretation of laws and the variety and volume of different taxes that affect the Group's activities. These risks are managed as noted above and where there is uncertainty or complexity, external advice is sought.

Relationships with tax authorities

The Group is in regular contact with the tax authorities, both directly and through its external advisors.

We seek to maintain an open and transparent approach to dealing with HM Revenue & Customs ("HMRC") and other tax authorities and commit to:

- A proactive, collaborative and professional relationship with the tax authorities;
- Making fair, accurate and timely disclosure in correspondence and returns, and responding to queries and information requests in a timely fashion.
- Seeking to resolve issues with HMRC in a timely manner, and, where disagreements arise, working with HMRC to resolve issues by agreement where possible.
- Employing the services of professional tax advisers to act as our agents, and, in a number of cases, such advisers liaise with HMRC on our behalf.

Appendix

List of The Lawton Tube Group companies covered by the Tax Strategy:

- The Lawton Tube Company Limited
- Wardtec Limited

Published by The Lawton Tube Company Limited on behalf of The Lawton Tube Group.

June 2024