



FM Conway Tax Strategy

Introduction

This document sets out the tax strategy agreed by the Board of FM Conway in conducting its tax affairs and dealing with tax risks. This strategy applies for the year ending 31 March 2018, and will be reviewed by the Board on an annual basis. It is being published in compliance with the UK Finance Act 2016 with respect to its duties under Section 161 and paragraph 16(2) of Schedule 19 of that Act.

Tax Strategy

FM Conway is a leading infrastructure services company delivering vital services in transportation, the built environment and open spaces for communities and business. Through its self-delivery model, and combining its in-house Professional Services team with front line operational excellence, it inspects, designs, builds, produces, enhances and maintains essential infrastructure services for the community.

The Company operates solely in the UK, but will often transact with suppliers in overseas territories. Its tax strategy is underpinned by the following key principles:

- To comply with all applicable tax laws, rules and regulations;
- To manage its tax affairs with the utmost care and professionalism; always ensuring there is a strong tax governance framework in place;
- To adopt an open and transparent approach to dealing with tax authorities seeking to resolve issues in a constructive and cooperative manner; and
- To avoid aggressive tax planning or participation in artificial tax avoidance schemes.

Risk Management and Governance

The Board has ultimate responsibility for the Company's tax matters, with day to day management overseen by the Chief Financial Officer and the finance team. The Chief Financial Officer will engage with external tax advisers to review process and controls for monitoring tax compliance, and to ensure the Company remains compliant with legislation.

Tax risks are identified by the finance team working in conjunction with external advisers. If a tax risk is identified a member of the finance team will take responsibility for ensuring there are appropriate process and controls in place to mitigate any exposure and to ensure it is correctly reported both internally and externally as required.

The Chief Financial Officer is the Senior Accounting Officer ("SAO") responsible for submitting the annual statement of compliance to HMRC and ensuring that the accounting systems and processes are fit for purpose.

Tax Planning

The Company will only engage in tax planning providing it is permitted by law and has sought independent external advice. It does not undertake aggressive tax planning or participate in artificial schemes. Tax planning is only ever based on commercial and economic substance and will have regard to the potential impact on reputation and business objectives.

The Company will take advantage of Government backed tax incentives such as Capital Allowances as appropriate.

Tax Risk

The Company takes a responsible and balanced approach to maintaining its tax affairs and the level of risk it is prepared to accept. This is consistent with the approach to tax risk management and governance and the Board's attitude to tax planning.

Engaging with Tax Authorities

The Company seeks to adopt an open, transparent and collaborative approach to dealing with tax authorities. It aims to respond to queries promptly and to work to resolve issues quickly where practicable.

Approved by the Board: 20th March 2018

