



## **Tax Strategy**

### **Introduction**

This document, approved by the Board of Bellway p.l.c., sets out the tax strategy and approach undertaken by the Group of companies headed by Bellway p.l.c. in relation to how they conduct their tax affairs and deal with tax risks.

This document satisfies the legal requirements concerning the publication of tax strategies, specifically the requirements of paragraph 16(2), Schedule 19 of Finance Act 2016.

This document will be reviewed periodically by the Group finance team and any amendments will be approved by the Board of Bellway p.l.c. It is effective for the year ending 31 July 2025 and will remain effective until any amendments are approved by the Board of Bellway p.l.c., but it will be formally reviewed and approved on at least an annual basis.

### **Tax policy**

Bellway is committed to conducting its tax affairs in a manner to achieve the following objectives:

- Comply with all relevant laws, rules, regulations and reporting and disclosure requirements.
- Pay taxes when they fall due.
- Ensure the tax strategy is consistent with the Group's overall strategy and risk.
- Engage with HMRC and maintain open, transparent and constructive communications.
- Maximise legitimate tax reliefs as intended by the legislation.

To fulfil the legal requirements which require large businesses in the UK to publish their tax strategy, and to support transparency of our approach to taxation, this document sets out the Group's approach to:

- Governance and tax risk management arrangements
- Tax planning
- The level of tax risk we are prepared to accept
- Dealings with tax authorities

### **Governance and risk management arrangements**

The Board of Bellway p.l.c. is ultimately responsible for the Group's tax strategy and tax risk management systems and controls.

The Audit Committee considers risk, not just those relating to tax, at each meeting and is updated as to the risk and internal audit activities that have been performed during the period.

The Chief Financial Officer is the Senior Accounting Officer and is responsible for ensuring the companies in the Group have appropriate tax accounting arrangements in place.

The Group Head of Tax and Group Financial Controller are responsible for the day-to-day tax compliance at a Group level, signing off corporation tax returns, liaising with HMRC, escalating significant and/or complex transactions with tax implications to the Chief Financial Officer for approval, obtaining advice from external advisors if appropriate, and tax accounting and payment of tax.

The Group finance team works with the divisional teams to ensure that:

- The strategy is adopted and followed consistently across the Group, with clear lines of reporting and accountability.
- There is alignment of the strategy with Bellway p.l.c.'s overall approach to corporate governance and risk management; and
- Bellway pays the right amount of tax, when due, as required under the laws and regulations within the UK.

### **Tax planning**

Bellway aims to maintain a conservative approach to tax and will not engage in artificial transactions where the sole purpose is to reduce the amount of tax payable.

The Group will, however, consider undertaking a transaction which gives rise to tax efficiencies providing this is aligned with its commercial activities and complies with the associated tax legislation.

Bellway will not structure a transaction solely to secure tax savings if the underlying commercial objectives do not support the position, or if the arrangements could potentially affect its reputation, brand, corporate and social responsibilities, or future working relationships with HMRC.

### **The level of tax risk we are prepared to accept**

The Group has a low appetite for tax risk and has a Low Risk relationship with HMRC.

The Group's tax strategy is to proactively identify and mitigate tax risks to an acceptable level in line with the Group's wider approach to risk management.

### **Dealings with tax authorities**

Bellway maintains a professional and constructive working relationship with HMRC, built on integrity and consistency of approach.

To ensure we meet high professional standards, we will always co-operate fully in an open and honest manner with tax authorities.

The Group aims to avoid unnecessary disputes with HMRC and this will be achieved by:

- Hosting meetings, in person or by other means, with HMRC (CCM and subject matter specialists), as and when required, to discuss the business and associated tax accounting; and
- Being proactive by seeking pre-transaction clearances from HMRC where appropriate.

Bellway's approach, attitude and tax controls have been acknowledged by HMRC who have designated the Group as Low Risk.

Date of approval: 16 January 2025