

Victorian Plumbing
Group PLC
Tax Strategy

Year ending 30 September 2024



Background

This document sets out the Tax Strategy of Victorian Plumbing Group plc and its subsidiary undertakings (hereinafter, collectively referred to as the “Group” or “Victorian Plumbing”) as required by Part 2 Schedule 19 of the Finance Act 2016. This policy was approved by the Board of Directors of the Group (the “Board”) on 26 March 2024.

Victorian Plumbing is the UK’s leading retailer of bathroom products and accessories, offering a wide range of products to B2C and trade customers. Victorian Plumbing offers its customers a one-stop shop solution for the entire bathroom with more than 130 own and third-party brands across a wide spectrum of price points.

The Group’s product design and supply chain strengths are complemented by its creative and brand-focused marketing strategy, which predominantly focus on online channels to drive significant and growing traffic to its website.

This Tax Strategy will be reviewed periodically, and any material amendments will be approved by the Board. This Tax Strategy applies to the taxes and duties as set out in paragraph 15(1), Schedule 19, Finance Act 2016. This document sets out the Group’s tax risk management policy, which covers both the approach to tax and the internal governance of tax matters

Victorian Plumbing Approach to Tax

The Group’s approach to tax is based on trust and transparency where we are committed to complying with all relevant laws and regulations. The Group has a low appetite in relation to tax risk i.e. we seek to act with integrity in all matters, including compliance with our tax obligations. Our approach to tax is focused on achieving the following objectives:

- Adherence with relevant tax legislation, rules, regulations and reporting requirements where we operate
- Implementation of appropriate tax governance and controls to enable the management of ongoing risks and opportunities
- Applying professional due diligence and care in the management of all risks associated with tax matters, which includes seeking independent professional advice where appropriate
- Paying the right amount of tax in accordance with the applicable legislation, and performing our duties as a collector of tax on behalf of tax authorities where we operate
- Seeking an honest and open relationship with tax authorities, based on the concepts of integrity, collaboration, trust and transparency.

Our Approach to Tax Risk

At Victorian Plumbing, we believe we have a corporate and social responsibility to pay the right amount of taxes in accordance with all local legislation in the regions in which we operate. We are committed to ensuring we are compliant with legislation, and being transparent in our tax returns which are submitted to tax authorities. Further, we are committed to timely submission of returns and making timely payments in relation to all taxes, and claiming reliefs and incentives where available.

Responsibility for the management of tax, and the implementation of the Group's tax strategy has been delegated by the Board to the Chief Financial Officer ("CFO"), who is the Group's Senior Accounting Officer ("SAO"). Day-to-day responsibility for ensuring compliance with our tax obligations and implementing an appropriate tax control framework is delegated to the Managing Director, Director of Finance and Strategic Procurement Manager (dependent upon the relevant tax area). The CFO and Director of Finance also work closely with the Group Finance team to review the key internal controls in respect of tax.

Supported by the Group Financial Controller, the Director of Finance is responsible for the overall management of Group tax requirements, ensuring tax deadlines are met, maintaining the day-to-day relationship with HMRC, and providing relevant training and support to the business. Where compliance is managed in house, there are appropriate review processes and segregation of duties in place to mitigate the risk of errors occurring.

The Group outsources its compliance with some tax legislation to qualified external advisors and has systems and controls in place to ensure all relevant information is provided to our advisors and our returns are reviewed in-house before they are submitted to HMRC. Other advice from external advisors is obtained where the appropriate skills and expertise are not available in-house.

Tax Planning and Risk Management

Robust controls are in place to manage tax risks that can arise from the Group entering into non-routine transactions that have an uncertain tax outcome. As part of our commitment to tax compliance, we aim for certainty on our tax position.

In our management of tax, we consider all applicable laws, rules, regulations and disclosure requirements, applying diligent professional care and judgement to arrive at well-reasoned conclusions. Where the tax law or published HMRC guidance is unclear, or there is a significant degree of uncertainty as to its interpretation, we engage with professional advisors to clarify the correct treatment and, where necessary, engage with tax authorities to gain certainty over the correct tax position.

Finance leadership regularly interact and communicate with the broader management team, ensuring the Group sees tax as integral to all areas of the business. The Finance team also partners with the business to provide clear, timely, relevant, and focused advice across all aspects of tax, to identify transactions which present tax risk or uncertain approaches.

The Group considers the tax consequences of its transactions as a factor in its planning processes and will not engage in any arrangements that are contrived or artificial. The commercial objectives of the business will not override compliance with all applicable laws.

Relationship with HMRC

Victorian Plumbing is committed to maintaining an open, transparent and professional relationship with tax authorities, which is based on mutual trust and collaborative working. We seek to achieve this through:

- Engaging with tax authorities on a real time basis, in particular where there is uncertainty, to minimise tax risk
- Responding to questions in a timely manner
- Reviewing and maintaining robust internal tax controls
- Agreeing positions on significant tax matters or unusual transactions, where relevant, in advance of returns being filed
- Handling tax authority enquiries and audits based on our approach of openness and honesty, acting in a courteous and professional manner.

Victorian Plumbing regards this publication as being compliant with our duty to publish a tax strategy for the year ending 30 September 2024, under paragraph 16(2), Schedule 19, Finance Act 2016.