

Wavenet Group Tax Policy

Introduction

Wavenet Group (“the Group”) is one of the UK’s leading providers of communications, IT, cloud services, and cybersecurity, supporting over 18,000 businesses in march 2024, (22,000 post acquisition of Daisy Corporate Services Limited in July 2024) ranging from small enterprises to large corporations. With approximately 1,000 employees across 12 locations nationwide, the Group is committed to maintaining high standards of compliance and governance in all its operations.

This tax policy is published in accordance with paragraph 16 of Schedule 19 of the Finance Act 2016, outlining the Group’s UK tax strategy for the financial year ending 31 March 2024. The policy will be reviewed annually and updated as needed.

Overall Objective

The Group’s primary tax objective is to pay a fair amount tax in all jurisdictions in line with its commercial objectives, legal obligations, and ethical standards.

Governance and Risk Management

Tax Risk Management

The Group evaluates tax risks on a case-by-case basis to arrive at informed decisions about their management. In situations of uncertainty regarding the application of tax laws, external advice may be sought to support decision-making.

Governance Framework

The governance of tax risks adheres to the tax accounting controls and formal procedures required by the Senior Accounting Officer (“SAO”) legislation. These controls ensure:

- Significant tax-related decisions are reviewed and approved by qualified, experienced staff.
- All UK tax obligations are met in full.

Key roles within the Group for tax governance include:

- The Chief Financial Officer (CFO): Acts as the SAO for all group companies
- The Chief Financial Officer (Group CFO): Serves as the SAO for the Group’s central and dormant entities and has ultimate responsibility for all Group tax matters.
- Group Financial Accountant: Handles the day-to-day management of the Group’s tax affairs.

Risk Mitigation Processes

The Group employs various processes and systems to ensure adherence to this tax policy, including:

- Compliance monitoring and risk assessment systems.
- External audits of tax compliance activities across the Group.

The tax function ensures that relevant personnel are informed of legislative and regulatory changes through direct communication or general guidance. Group personnel are encouraged to consult the Group Financial Accountant on any matters requiring tax input.

Tax Planning

The Group considers tax planning a legitimate means of managing liabilities, provided it adheres to applicable laws and the intended purpose of the legislation. Key principles include:

- **Compliance and Intent:** Tax planning should align with both the strict letter and intent of the law. Where legislation clearly supports a favourable tax outcome, it is appropriate to utilize such opportunities.
- **Avoidance of Artificial Transactions:** Transactions that solely aim to reduce tax and lack genuine economic substance should not be undertaken, except where explicitly encouraged by legislation.
- **Business-Driven Planning:** Tax planning must be driven by business needs, not solely by tax reduction objectives.
- **Risk Management:** Tax planning should not be pursued if the risks of adverse outcomes outweigh the potential benefits.

The Group seeks professional advice for significant or complex transactions, especially where tax outcomes are uncertain or may impact the overall commercial benefit.

Compliance

The Group is committed to ensuring that all tax filings are timely, accurate, and sufficiently detailed to provide Revenue Authorities with a clear understanding of its affairs. This approach aims to minimize unnecessary queries and ensure full compliance with relevant regulations.

Relationship with HMRC

The Group prioritises maintaining a constructive and transparent relationship with HMRC by:

- Proactively informing HMRC about unusual transactions or issues requiring their attention.
- Promptly disclosing and resolving any identified errors impacting tax liabilities.

The Group endeavours to foster an open, collaborative, and professional rapport with Revenue Authorities, while adopting the most favourable tax position permissible under legislation, case law, and accepted practices.

Approved by:

Sian Ditchfield

Role: Group Financial Accountant

Date: 20 December 2024