

# 4imprint Group plc

## Tax Strategy

### Introduction

4imprint is a direct marketer of promotional products in North America, the UK and Ireland. 4imprint Group plc is listed in the UK on the FTSE-350 and its head office is in London, UK. Most of the group's revenue (98%) is generated in North America, serviced from an office, production and distribution facilities in Oshkosh and Appleton, Wisconsin, US. This office also serves the Canadian market. Customers in the UK and Irish markets are serviced from an office in Manchester, UK.

Our business activities generate a variety of taxes in the territories in which we operate. We pay corporate income taxes on the profits we make in each country, and as an employer, we pay employment taxes. We also collect and pay indirect taxes such as VAT and sales and use tax.

Taxation is a complex and technical discipline requiring significant expertise to ensure that we pay the right amount of tax, taking full account of the tax rules set by relevant authorities. We aim to comply with these laws and regulations and act responsibly in paying the right amount of tax in the countries in which we operate.

This tax strategy document is considered to comply with the statutory obligations under Para 16(2), Schedule 19 of the United Kingdom Finance Act, 2016 for 4imprint Group plc and all UK subsidiaries in respect of the year ended 30 December 2023. The Group also intends this tax strategy document to satisfy any statutory responsibilities it may have in other territories to publish a tax strategy. The strategy applies to all forms of taxes payable by the Group.

### Tax Governance

Day to day responsibility for management of tax compliance and reporting lies with the Group Tax Manager in the UK and the Senior Vice-President, Finance, in the US. They are assisted by external professional advisors who provide support as required to meet our tax reporting obligations. The overall responsibility for taxation matters lies with the Chief Financial Officer. The Board and its Audit Committee receive regular updates on taxation matters, both as part of the annual audit and Interim Review, as well as the information included within the monthly management accounts.

In relation to tax compliance, it is the policy of the group to:

- Fully comply with all applicable tax rules, regulations and disclosure requirements in all territories in which we operate.
- Submit all tax returns by their due dates in line with local laws.
- Ensure that all positions taken in tax returns are supportable in terms of documentation and legal interpretation.
- Pay all applicable taxes as they fall due.

- Use appropriately qualified or trained employees to look after the group’s tax affairs or appoint external advisors as required.
- Take external tax advice on transactions where there is uncertainty over the tax treatment.
- Undertake all dealings with tax authorities and other third parties in a professional, courteous and timely manner.

## **Tax Risk Management**

Judgments are often required as a result of the interpretation of tax rules as well as the compliance obligations that those rules entail. Tax risk can arise where different judgments can be made with regard to particular rules and how they apply to our business. We seek to reduce tax risk where we can, including through the use of professional advisors where there is complexity or uncertainty, and through maintaining comprehensive documentation on decisions and judgments made.

Annually the Group Tax Manager prepares a management paper “IFRC23 Uncertainty Over Income Tax Treatments” which documents the Group’s assessment of any uncertain income tax treatments and the effect on the Group’s accounting for current or deferred tax. This paper is reviewed and approved by the Chief Financial Officer and is discussed and agreed with the external auditors as part of the annual audit process.

Tax risk also arises from errors in day-to-day tax processes including the calculation and reporting of corporate taxes, payroll taxes and other indirect taxes. We aim to reduce these tax risks through maintaining a fully functioning Risk Management and Internal Control Framework and, at Group level, a Risk and Controls Matrix (RCM). The RCM includes a robust set of documented internal controls for tax reporting. The effectiveness of these internal controls is assessed periodically by the Director of Internal Audit.

## **Our Attitude to Tax Planning**

We take a conservative approach to tax risk and we aim to keep tax risk at a low level when making tax planning decisions. We seek to do this by:

- Only undertaking transactions that have a business purpose and commercial rationale.
- Not engaging in tax driven transactions or aggressive tax planning structures created with the primary purpose of reducing the Group’s taxation charge.
- Setting transfer prices for internal transactions on an arms-length basis in compliance with OECD guidelines, reflecting the relative risks undertaken and economic value added by each of the internal parties to the transaction.
- Maintaining a simple legal entity structure.

By engaging only in transactions that have a genuine economic substance, we aim to manage tax risks to minimize the chances of a future unexpected tax charges relating to historical transactions.

## **Relationships with tax authorities**

We seek to maintain open, transparent and constructive relationships with HMRC and other tax authorities wherever we do business. In the UK, we do not have an allocated Customer Relationship Manager at HMRC, but the Group Tax Manager endeavors to work with the relevant HMRC department (VAT, employment taxes etc.) to achieve agreement on tax matters that arise.

In the US we endeavor to work in a constructive and open manner on all tax matters. Wherever possible we work with fiscal authorities to resolve disputes and to achieve early agreement and clarity over our tax affairs. Where significant tax issues arise, we conduct open dialogue with the Tax Authorities.

Approved by the Board of Directors on 6 November 2024