The Works plc Tax Strategy FY26

In accordance with paragraph 16 of Schedule 19 to the Finance Act 2016, the tax strategy -

- must be published before the end of the current financial year, and
- it must be published within 15 months of when the previous tax strategy was published.

The Tax Strategy sets out the Group's approach to conducting its tax affairs and dealing with tax risk. This tax strategy will be effective for the Group's FY26 accounting period ending 3 May 2026. The tax strategy applies to TheWorks plc and its subsidiaries.

Approach to risk management and governance

The tax strategy is prepared and updated by the CFO, in conjunction with the finance team and is approved by the Audit Committee. Overall execution of the strategy is the responsibility of the Board, with day-to-day responsibility delegated to the Chief Financial Officer (CFO).

The strategy applies to all Group colleagues who have a responsibility for tax. It is communicated as required to stakeholders in the business.

It is reviewed and updated at least annually, taking into account changes to the Group's structure or how we do business.

Via this delegation, the CFO is responsible for ensuring that:

- The right arrangements exist to control and manage tax risk
- The tax position is managed in line with strategic objectives
- The tax charge is correctly stated in the statutory accounts and tax returns

The Board has established that the following principles will form the basis of the tax policy of the Group:

- Good governance - The Group complies with the UK Corporate Governance Combined Code and the rules of the UK Listing Authority ensuring the Group is able to demonstrate its compliance with an appropriate standard of corporate governance.
- Strong internal control - The Group has implemented internal controls designed to respond effectively to significant risks to achieving the Group's objectives. The Group applies these same principles to its tax affairs and accounting.
- Professionally qualified people - All individuals in financial positions of responsibility are appropriately qualified with recognised professional bodies and are required to maintain and apply the highest levels of professional standards and integrity.

Level of risk in relation to UK taxation that the Group is prepared to accept

The Group seeks to mitigate risk associated with its tax affairs.

The Group has a straightforward legal and operational structure that helps reduce the risk associated with accounting for taxes. However, given the scale of the business and the range of taxes that the Group has to account for, risks inevitably arise from time to time in relation to the interpretation of tax legislation and the nature of compliance arrangements.

Where judgement or uncertainty arises within tax legislation the Group will evaluate, monitor and manage these judgements. Where there is significant uncertainty or complexity, external advice will be sought from appropriately qualified professional advisors.

Tax planning

The Group will seek to ensure that commercial transactions are structured in a tax efficient way, taking into consideration all available reliefs and allowances permitted by law but it will not enter into transactions that have no commercial purpose or are contrived, artificial or are knowingly contradictory to the intention of Parliament.

Furthermore, consideration will be given as to whether the arrangement is in line with the Group's values and the impact on its reputation should the details of the arrangement come into the public domain.

External consultancy is used to provide tax advice and guidance.

HMRC relationship

The Group seeks to maintain an open and honest relationship in its dealings with HMRC; in particular

- In the event of any identified error(s) arising, full disclosure, where required by law will be made to HMRC
- The Group will disclose any relevant planning it undertakes to HMRC in line with the legal disclosure requirements and criteria set out by legislation
- The Group will deal with all correspondence in a timely manner