

IDG Communications Limited Tax Strategy

This tax strategy relates to our Company approach to compliance, payment and reporting of all UK taxes, the most significant of which are corporation tax, VAT and employment taxes.

IDG Communications Limited regards the publication of this information as complying with the duty under Finance Act 2016, Schedule 19, para 16.

Introduction

IDG Communications Limited refers to the UK resident business which is part of the multi-national China Oceanwide Group.

Tax strategy

Our key strategic objectives in relation to taxes are as follows:

- To follow all applicable laws and regulations in relation to all taxes;
- To pay the right amount of tax at the right time in the right place;
- To ensure the Company has robust and fitting governance to deliver appropriate tax accounting arrangements;
- To maintain an open and collaborative relationship with the tax authorities; and
- To apply diligence and appropriate care in carrying out our tax responsibilities and reporting.
- To appropriately document and evaluate related party transactions with related parties to ensure these are conducted on an 'arms-length' basis

Tax risks

Tax risks associated with the size of the business and its complexity predominantly relate to changes to the corporate structure, whether through acquisition, disposal or restructure.

As an employer we are diligent in determining the appropriate tax status for all employees and consultants in line with all applicable laws and regulations.

We are mindful that changes to our business and expansion onto new platforms and the generation of new revenue streams potentially expose us to increased levels of tax risk.

Risk management

We manage tax risk by designing clear and robust processes and procedures across all functions and by ensuring we have tax specialists working closely with the business.

Levels of process design, control and review are established in relation to the materiality of any tax risk and the likelihood of occurrence. There is appropriate engagement at Board level to understand and challenge tax processes, controls and review.

Tax planning

While we will run our business in a cost effective manner in line with our obligations to our shareholders and clients, in terms of tax, we will only utilise legitimate tax reliefs for the purposes for which they were intended by Parliament. We do not:

- engage in aggressive tax planning
- seek to structure transactions in an artificial manner whereby results are inconsistent with the underlying economic consequences; or
- promote tax avoidance or condone abusive tax practices which would contravene our ethics and culture or the law.

We believe in safeguarding our reputation and our relationships with clients, shareholders and tax authorities alike and we are not subject to undue shareholder influence.

We will seek external tax advice in certain situations, for example:

- In respect of large, one off transactions such as business acquisitions or disposals, to ensure that we do not suffer any unforeseen or unreasonable tax outcomes;
- in areas where we may have insufficient internal expertise

Working with HMRC

We believe we have a professional, open and transparent relationship with HMRC.

The Company makes tax payments and submits all required tax returns and disclosures in a timely fashion.

We proactively approach HMRC and discuss potential and real time issues as well as responding to queries and further information requests within agreed time frames.

We are careful to interpret the relevant tax laws in a reasonable way and to follow the spirit of the law.

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