

Tax strategy UK taxation

Introduction and organisation

PORR operates in UK via three subsidiaries and one branch:

- IAT UK Ltd
- PORR Bau GmbH UK Branch
- PORR Slovakia Ltd
- PORR UK Ltd

All entities are direct or indirect 100% subsidiaries of PORR Bau GmbH which is an Austrian resident construction company. PORR is organized in four Business Units. IAT UK Ltd belongs to BU1, PORR UK Ltd and PORR Bau GmbH to BU3 while PORR Slovakia Ltd, a mere holding company without operating business, belongs to BU4. All entities are referred to “PORR UK Group” and the strategy applies to all of them unless stated otherwise.

This document provides an overview of the tax strategy, tax policy and risk management of PORR UK group consisting of the UK companies owned directly or indirectly by PORR AG, in accordance with requirements enacted in Schedule 19 of the Financial Act 2016.

This strategy applies to all companies belonging to PORR UK Group from the date of publication until it is suspended.

PORR UK Tax Arrangement

With regards to UK taxation, PORR UK group is committed to ensuring correct and timely compliance and payment of all tax due according to all statutory obligations. We manage our tax affairs in accordance with the standards and behaviours set out in the PORR Code of Ethics^[1]. We are fully compliant with the tax laws in the jurisdictions, in which we operate and pay all taxes due.

Approach to tax governance and risk management

PORR UK Group pays a range of taxes in UK principally from operating business in UK. PORR UK Group is committed to ensuring correct and timely compliance of all tax obligations according to the letter and the spirit of tax statutory regulations in force, HMRC guidelines, Case Law and the widely-acknowledged tax practices.

PORR UK Group manages risk to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax at the right time while at the same time promoting measures to prevent and mitigate tax risks.

The ultimate responsibility for PORR UK Group taxation strategy rests with the Board of Directors of each PORR UK entity. Executive responsibility for compliance with the UK taxation obligations matters and for fulfilling compliance requirements rests with the commercial directors of the PORR UK entities.

PORR UK Group engages sufficient resources to cover tax function activities to provide high-quality and solution-driven tax advice. External advisors and support is sought to ensure that the correct amount of tax is considered in any transaction.

^[1] <https://porr.at/en/company/csr/code-of-ethics/>

Attitude to tax planning and level of risk

PORR UK group approach to tax risk management is aligned with the PORR Group tax policy and the PORR code of Ethics.

The management of UK taxation affairs is aligned with the business strategy, based on genuine commercial activity, and in support of PORR Group strategic goals operating at all times in accordance with the law.

PORR UK Group's approach in managing tax risks ensures compliance with the UK obligations and legal requirements in a manner which ensures payment of the right amount of tax by deploying all available means to provide a high degree of tax certainty.

As part of its business and commercial operations PORR UK Group seeks to make use of available reliefs (e.g. group relief), incentives and exemptions but should not be involved in tax planning other than which arises from genuine commercial activity and should not structure transactions in a way which provides for a tax results contrary to the spirit of the law.

Relationship with HMRC

Key to managing our tax responsibilities in the UK is maintaining an open and honest relationship with HM Revenue & Customs ("HMRC") and keeping our low risk status.

PORR UK Group will comply with its obligations in an open, honest and transparent manner, creating and maintaining mutual trust with Tax Administrations and authorities.

We are committed to providing the information and documentation requested by tax authorities as quickly and as completely as possible. Any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.