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Ballymore UK Group

This document sets out the UK Tax Strategy of the 'Ballymore UK Group'. The Ballymore Group's business activities in the UK are conducted through UK sub-groups and UK companies referred to as the Ballymore UK Group.

This strategy applies to all UK tax resident entities in the Ballymore UK Group. Each UK company/UK permanent establishment regard this document as complying with its duty under either Paragraph 19(2) Schedule 19 FA 2016 or Paragraph 22(2) Schedule 19 FA 2016.

This Tax Strategy applies to all UK taxes as set out in s15 Schedule 19 Finance Act 2016 and any reference to 'tax', 'taxes', or 'taxation' are to all taxes as defined within. This Tax Strategy will be owned by the respective Boards of Directors ('Boards') of the sub-groups and companies listed in Appendix I and will be reviewed annually with any proposed amendments ultimately discussed and approved by the Boards.

The Boards are responsible for ensuring there is an appropriate framework for the implementation of the Tax Strategy and oversight of the identification and management of tax risk. The Boards maintain responsibility for implementing new controls where material tax risks are identified.

The Boards are supported by finance and tax teams (with such support being provided on a group-wide basis) who have responsibility for implementing the Tax Strategy and reporting back to the Boards. A number of tax sensitive processes are performed within the finance and tax teams and each relevant individual is responsible and accountable for meeting their

tax obligations, controls and policies as issued by the Boards. Performance of the finance and tax teams, is reportable to the relevant directors who in turn reports up to the Board.

This Tax Strategy was approved for publication by the Boards on 22 May 2019 and applies thereafter until it is superseded.

Risk management and governance arrangements

The Ballymore UK Group is committed to ensuring that its tax affairs are open, transparent and compliant with tax legislation.

Ballymore's internal structure is set up to ensure:

- The Boards understand the importance of tax compliance, and how it is achieved;
- There is a constant dialogue between the Boards and those individuals tasked with the operation of the finance and tax function; and
- Ballymore portrays a positive view towards tax compliance and the importance of meeting its obligations.

The Boards have established that the following principles will form the basis of management's philosophy and the Tax Strategy to achieve the vision of compliance and governance with respect to tax:

- **Good governance:** The UK companies and sub-groups seek to comply with all relevant tax legislation;
- **Training:** Investing in training for those staff tasked with tax compliance and governance;
- **External advice:** Seeking specialist external tax advice where required.

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Tax planning

The Ballymore UK Group does not undertake aggressive or artificial tax planning, the sole purpose for which would be obtaining a tax advantage. Ballymore UK Group undertakes tax decisions and planning as part of its overall business strategy and engages the services of professional advisers to assist with major or complex business decisions in order to fully understand any associated tax risks.

The Ballymore UK Group seeks to ensure that transactions are structured such that any tax reliefs or incentives available are realised in line with the intended tax legislation.

Attitude towards risk

The Boards' on-going tax risk approach is based on principles of reasonable care and materiality. Each tax risk is assessed based on a balance of impact (both financial and non-financial) of that risk and the likelihood that it will materialise. There is no one level of risk that the Ballymore UK Group is prepared to accept but each is considered on a case by case basis having taken into consideration all available facts and information.

The Ballymore UK Group has close relationships with professional advisers that allows it to seek expert advice where necessary which in turn aids compliance.

Relationship with HMRC

The Ballymore UK Group is committed to the principles of openness and transparency in its approach to dealing with HMRC. In line with HMRC's consultation on 'Improving Large Business Tax Compliance' the Ballymore UK Group aims to:

- Promote a professional and collaborative relationship which is based on principles of transparency and justified trust;
- Make fair, accurate and timely disclosure in correspondence and returns, and respond to queries and information requests openly and honestly in a timely fashion;
- Resolve issues with HMRC in a timely manner, and where disagreements arise work with HMRC to resolve issues by agreement where possible;
- Ensure all interactions with HMRC are conducted in an open, collaborative and professional manner; and
- Disclose and correct any inadvertent errors as soon as is reasonably practical and implement controls to ensure future compliance.

Appendix I

The 'Ballymore UK Group' refers to the UK entities and sub-groups listed below and all subsidiaries within these sub-groups.

- Ballymore Limited UK sub-group
- Kimia Limited UK sub group
- Ipress Limited
- Koronet Limited
- Joist Limited
- Lycus Limited
- Geronimo Limited
- Fortress Limited
- Leamouth Capital plc