

Dignity Group Holdings Limited (formerly Dignity plc)

Business Strategy and Tax Strategy Vision 2024

Dignity is a large private group. We own funeral locations and crematoria across the United Kingdom and have a strong market presence in pre-arranged funeral plans, where people plan and pay for their funeral in advance.

Our overall vision for tax is to deliver value to key stakeholders in a sustainable and compliant way and to grow our business tax efficiently whilst recognising the spirit of tax legislation. Our Tax Strategy is aligned with the overall business strategy and to the Group's approach to corporate governance and risk management. It is of primary importance that we pay the correct amount of tax at the right time and aim to be compliant with all relevant laws and regulations.

We manage tax by focussing on the objectives below.

Approach to tax risk management and governance

Our tax strategy is owned by the Board and the Chief Financial Officer is responsible for its delivery through our developing tax risk management framework. This facilitates the capturing of key risks, such that they can be mitigated through the operation of effective controls.

We have an established business wide risk management process which is embedded within the business to support the identification and effective management of risks across the business.

The Chief Financial Officer is responsible for ensuring all UK tax filings are made in a timely manner, compliant with UK tax law and regulations and that any required tax payments are made on time. The Group has a formalised decision-making process in place whereby all tax decisions must obtain senior sign off by the Chief Financial Officer. All tax returns and calculations prepared in-house are subject to two levels of internal review with additional review by an external specialist if deemed necessary due to complexities or containing transactions outside of normal business activities.

All individuals with a tax responsibility are suitably experienced to understand tax issues and keep up to date on tax and we use external tax advisers to support us from a tax compliance perspective. Having a trusted tax adviser who understands our business is important from a tax risk management perspective. The Group proactively seeks external advice when undertaking business transactions outside of ordinary business activities and ensures more complex corporate tax computations are reviewed by external tax advisers.

Level of risk we are prepared to accept

The Group's appetite for tax risk is low and operations are only structured based on sound commercial and business principles. The Group's approach to acceptable tax risk management follows its enterprise wide approach to risk management, is driven by the Board, and has remained broadly unchanged during the year.

The Group acknowledges that the elimination of all tax risk is impractical due to complexity of tax legislation and differences in interpretation, however the Group is committed to the identification and monitoring of relevant tax risks within the UK. This is achieved through our developing tax risk and governance framework which identifies and assesses tax risk and mitigates it to an acceptable level for the Group. Given the Group operates a UK only business model and our tax processes are managed by suitably qualified personnel internally, with support from our tax advisers as required, it believes a low tax risk tolerance can be achieved.

Attitude towards tax planning

The Group's attitude to tax risk and tax planning is aligned to the strategic and commercial objectives of our UK operations. It aims to comply with all applicable UK laws and regulations, however, where there are a range of tax outcomes, it will consider the most tax efficient way to deliver value to its stakeholders, whilst being mindful of its low appetite for tax risk. The Group will also engage with its external tax advisers when any complex transaction is undertaken or in areas of uncertainty. The Group aims to not only be compliant with tax legislation but also take account of the intention or spirit of the tax law.

To achieve its strategic objectives the Group will tax efficiently grow our business, however, it does not enter into any aggressive tax planning arrangements, its tax activities shall not compromise its businesses ethical principles or cause damage to the brand or reputation of the Group and are undertaken following its Code of Conduct.

Approach towards dealing with tax authorities

The Group is committed to an open and transparent relationship in all its dealings with HMRC encouraging open dialogue on a timely basis. The Group engages regularly with its customer compliance manager ('CCM') on key judgmental matters, updating its CCM on significant transactions and other changes to our business. The Group's aim is to achieve a low risk rating from HMRC.

Where any tax law is unclear or subject to interpretation, the Group engages with external tax advisers to ensure it remains compliant in all its operations and ensure appropriate disclosure of corporate information where applicable. It flags such items to HMRC in advance of submitting the relevant tax computation, to ensure there are "no surprises". The Group works with HMRC to answer any queries or resolve any differences in a timely and professional manner, responding to enquiries by due dates and being fully cooperative and compliant.

Our published tax strategy applies to all UK subsidiaries of the Dignity Group Holdings Limited group and covers all UK taxes. It was approved by the Board and satisfies

para 16, Schedule December 2023.	19 of the UK Finance	Act 2016 in respect of th	he period ending 29