



# TAX POLICY REPORT

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# TAX POLICY REPORT

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Mace Group is proud to be a responsible business with a strong purpose to 'redefine the boundaries of ambition'. Our commitment to always doing the right thing is reflected in our approach to corporate tax.

Mace is dedicated to paying our fair share of tax in all the countries in which we operate, only applying generally available tax reliefs permitted to all taxpayers. Mace will only utilise tax reliefs within the spirit of the law, but never with the intention of wilful tax avoidance or via the use of aggressive tax avoidance schemes.

In line with our Tax Policy, the Mace Executive Board commits to:

- Paying the right amount of tax in accordance with relevant statute and case law.
- Not partaking in tax planning that is perceived to be aggressive or that delivers advantages that were clearly not the intention of the legislation. Any available tax exemptions/reliefs in the territories in which we operate will be applied where such reliefs align with our commercial activities and in the manner in which they were intended.
- Taking decisions regarding both UK and international structuring, driven by operational rationale and never with the aim of avoiding tax.
- Carrying out transactions between Mace Group companies on an arm's-length basis in accordance with the relevant OECD guidelines.
- Taking reasonable care to prevent the facilitation of tax evasion by our staff and associates pursuant to our responsibilities under the Criminal Finances Act 2017.
- Conducting business in an honest, lawful and ethical way, without the use of corrupt practices or acts of bribery, taking a zero tolerance approach to bribery and corruption of all kinds.
- Never using countries denoted as tax havens for tax avoidance purposes, nor take advantage of the financial securities that these jurisdictions can provide. Any presence in those countries will be for reasons of bona fide commercial rationale.

Miranda Chamberlain CTA, Group Head of Tax, is responsible for delivering these commitments.

The Mace Executive Board reviews this policy annually to ensure that it is complied with and concludes that all companies within the Mace Group are compliant with this Policy.

**Miranda Chamberlain**  
**Group Head of Tax**  
**December 2022.**

**Detailed Tax Analysis for YE 31 December 2022**

Note 12 to the Consolidated Financial Statements of Mace Finance Limited

Tax on profit on ordinary activities	2022	Re-presented 2021
(a) Analysis of Group charge in year	£000s	£000s
<b>Current tax</b>		
UK corporation tax at 19% (2021: 19.00%)	-	-
Group relief payment	(8)	(115)
Adjustments in respect of previous periods	(1)	(1,022)
	<b>(9)</b>	<b>(1,137)</b>
Foreign tax	13,017	8,225
Adjustments in respect of previous periods	2,954	672
<b>Total current tax expense</b>	<b>15,962</b>	<b>7,760</b>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(1,439)	1,157
Impact of deferred tax rate movements on opening asset/liability	(72)	(1,732)
Adjustments in respect of previous periods	(231)	419
<b>Total deferred tax expense</b>	<b>(1,742)</b>	<b>(156)</b>
<b>Total tax (note 12(b))</b>	<b>14,220</b>	<b>7,604</b>

(b) Factors affecting Group tax charge for year	£000s	£000s
The tax assessed for the period is higher than the standard rate of corporation tax in the UK (19.00%). The differences are explained below:		
Profit on ordinary activities before tax	36,461	38,272
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	6,927	7,272
<b>Effects of:</b>		
Expenses not deductible for tax purposes	7,798	9,409
Income not taxable for tax purposes	(6,024)	(9,607)
Group relief claimed	(7)	(115)
Non-taxable foreign branch income	(58)	(1)
Withholding tax deduction	5,289	-
Different rates of tax on overseas earnings	(1,014)	1,383)

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Research and development expenditure charge/(credits)	-	32
Movement in temporary differences not recognised in deferred tax	(1,095)	927
Increase in tax losses not recognised in deferred tax	-	20
Impact of deferred tax rate movements	(318)	(1,785)
Adjustments to tax charge in respect of previous years – UK taxation	(1)	(603)
Adjustments to tax charge in respect of previous years – overseas taxation	2,954	672
Adjustments to tax charge in respect of previous years – deferred taxation	(231)	-
<b>Current tax charge for the year (note 12(a))</b>	<b>14,220</b>	<b>7,604</b>

## Re-presentation of 2021

The Group changed the presentation of expenses not deductible and income not taxable for tax purposes from a net to a gross basis in 2022. For comparability purposes, the net reconciling entry for 2021 has been re-presented on a gross basis.

## Changes in tax rates

In the UK Budget on 3 March 2021, the Chancellor announced the intention to increase the UK corporate tax rate from the current rate of 19% to 25%, effective from 1 April 2023. As this change had been substantively enacted at the balance sheet date, the impact of this change has been reflected in the deferred tax assets and liabilities of the UK Group where the timing differences are expected to reverse after 1 April 2023.

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## Detailed Tax Analysis for YE 31 December 2022

Note 12 to the Consolidated Financial Statements of Mace Finance Limited (continued)

### Deferred taxes - Group

Deferred tax assets	Fixed asset temporary differences £000s	Short-term temporary differences £000s	Losses carried forward £000s	Total £000s
<b>At 1 January 2021</b>	<b>1,422</b>	<b>5,143</b>	<b>1,456</b>	<b>8,021</b>
(Charged) credited to:				
- Profit and loss	(106)	(1,490)	1,820	224
- Equity	-	(69)	(55)	(124)
<b>At 31 December 2021</b>	<b>1,316</b>	<b>3,584</b>	<b>3,221</b>	<b>8,121</b>
(Charged) credited to:				
- Profit and loss	(879)	347	2,474	1,942
- Equity	-	-	32	32
<b>At 31 December 2022</b>	<b>437</b>	<b>3,931</b>	<b>5,727</b>	<b>10,095</b>

Deferred tax reported in equity relate to foreign exchange movements on deferred tax held in subsidiaries whose functional currency is not the Group presentational currency (GBP). This movement is included in the retranslation gain/loss reported in the consolidated statement of changes in equity.

Deferred tax liabilities	Fixed asset temporary differences £000s	Short-term temporary differences £000s	Losses carried forward £000s	Total £000s
<b>At 1 January 2021</b>	<b>-</b>	<b>159</b>	<b>-</b>	<b>159</b>
(Charged) credited to:				
- Profit and loss	-	68	-	68
- Acquisition of subsidiary companies	1,000	-	-	1,000
<b>At 31 December 2021</b>	<b>-</b>	<b>159</b>	<b>-</b>	<b>159</b>

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Charged/(credited) to:				
- Profit and loss	110	66	24	200
- Equity	-	5	-	5
- OCI	-	79	-	79
<b>At 31 December 2022</b>	<b>1,110</b>	<b>377</b>	<b>24</b>	<b>1,511</b>

## Deferred taxes – Company

Deferred tax liabilities	Fixed asset temporary differences £000s	Short-term temporary differences £000s	Losses carried forward £000s	Total £000s
<b>At 1 January 2021</b>	-	35	-	35
(Charged)/credited to:				
- Profit and loss	-	443	460	903
<b>At 31 December 2021</b>	-	<b>478</b>	<b>460</b>	<b>938</b>
(Charged)/credited to:				
- Profit and loss	-	432	645	1,077
<b>At 31 December 2022</b>	-	<b>910</b>	<b>1,105</b>	<b>2,015</b>

## Tax losses carried forward

Tax losses for which no deferred tax asset was recognised

	2022		2021	
	Gross amount £000s	Tax effected £000s	Gross amount £000s	Tax effected £000s
Tax losses expiring:				
Within 10 years	1,166	227	2,630	599
More than 10 years	-	-	345	86
Available indefinitely	24,101	6,032	2,562	509
	<b>25,267</b>	<b>6,259</b>	<b>5,537</b>	<b>1,194</b>

## Deferred taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The current tax payable is based on taxable profit for the year. Taxable profit differs from accounting net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates prevailing in the year.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences; deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at the statement of financial position date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. When current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

In determining the recoverability of deferred tax assets, discounted cash flow forecasts are reviewed to assess the future profitability for the relevant entities. Deferred tax assets are therefore recognised on material timing differences expected to reverse in the next few years (usually 3-5 years).



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As of 31 December 2022, deferred tax assets were recognised on the following:

	Deferred tax provision
<b>Fixed asset temporary differences:</b>	
Fixed asset temporary differences being the difference between the net book value of qualifying fixed assets in the financial statements and their equivalent tax written down values. As of 31 December 2022, future deductions totalling £1.7m (2021: £5.2m) were carried forward, with future corporation tax deductions recognised in full on the balance.	£0.4m
Intangible assets recognised from a new business combination resulting from the purchase of a controlling interest in the Tenman sub-group: <ul style="list-style-type: none"> <li>Customer relationship £4.8m</li> <li>Brand £0.3m</li> </ul> Deferred tax liability recognised on these assets in the consolidated accounts only.	(£1.1m)
<b>Short term temporary differences:</b>	
Corporate Interest Restrictions being a restriction to the allowable interest deductions in UK corporation tax computations. As of 31 December 2022, it was forecasted that the restriction made for the accounting period would be reactivated in the foreseeable future, following the repayment of external debt in early 2022 and the forecasted increase in profitability from 2022 onwards.	£1.8m
Unpaid employer pension contributions. Corporation tax relief will be claimed in the period payment of the employer contributions is made to the pension fund.	£0.4m
Provision for employment remuneration. Where accrued employment remuneration is not paid to the employees during the year, or within a certain window post year-end, a corporation tax deduction can only be taken in the period payment is made to the employee.	£0.5m
Provision for unrealised development profits. Presently, a loss is forecasted on development properties held on the balance sheet. A deferred tax asset is recognised on the expected loss relief that will be available upon realisation of the development.	£0.3m
Due to changes in accounting standards, transitional adjustments arise when moving the historic financial position from the old standard to the new one. Corporation tax relief on the transitional adjustment can vary, and usually spreads the tax impact over a number of years. For Mace there are transitional adjustments relating to Loan Notes and Property Leases.	£0.6m
<b>Losses carried forward temporary differences:</b>	
Losses carried forward being the future tax saving available on tax losses arising in the UK, Spain, Philippines, Netherlands Poland, and South Africa. As of 31 December 2022, future deductions for tax losses carried forward were recognised with deferred tax assets.	
<b>Total deferred tax asset 31 December 2022</b>	<b>£8.6m</b>

## Effective tax rate

Mace Group's Effective Tax Rate (ETR) is sensitive to the group's geographic mix of profits and reflects a combination of higher rates in certain jurisdictions, such as the USA and Peru, low UK effective rates due to tax losses and effective rates ranging in between.

For 2022, Mace Group's ETR was 39.00% (2021: 19.87%). For 2022, twelve countries had material impacts on the group ETR by virtue of their contribution to the consolidated profits and their combined total income tax expense.

Country	Note	PBT GBP £'000	Total tax expense GBP £'000	ETR
Belgium	1	7,924	84	1.06%
Hong Kong		3,286	210	6.40%
Iceland		2,281	387	16.98%
Ireland		6,098	698	11.45%
Netherlands	2	(1,567)	(6)	0.40%
Peru	3	5,308	4,751	89.5%
Qatar	4	(5230)	(14)	0.27%
Saudi Arabia	5	5,804	4,226	72.82%
UAE	5	7,738	1,656	21.40%
UK		(5,789)	(803)	13.19%
USA		5,458	1,730	31.70%
Other territories not analysed further		3,862	1,258	32.57
<b>Total</b>		<b>36,459</b>	<b>14,218</b>	<b>39.00%</b>

Except for Ireland, Qatar and the UAE, the countries specifically identified above had corporation tax rates higher than the UK standard rate of corporation tax for 2022, which was further increased due to local tax adjustments.

## Notes:

- 1) Due to the requirements of Belgian GAAP, an impairment of all assets relating to the project in Belgium was required in the local accounts and tax returns. This resulted in a significant tax loss in Belgium, and ultimately a significantly lower tax liability compared to the PBT reported in the UK consolidated stats.
- 2) Due to a group consolidation adjustment in 2022, the accounting loss for the Netherlands is £1.6m higher than the local results. Without the consolidation adjustment, the ETR for the Netherlands would be 22%.
- 3) A prior period adjustment of £2.9m was made to reconcile the internal withholdings taxes applied to payments made to the Peruvian company. Without this adjustment, the ETR for Peru would be 34%, which is higher than the standard local rate due to disallowed expenses in the year.
- 4) Although large losses arise in Qatar during 2022, no deferred tax asset was recognised on these due to there being no expectation of reversal in the foreseeable future.
- 5) As a result of services provided from the UAE in to Saudi Arabia, combined WHT of £4.6m was incurred, partially recorded as an expense in Saudi Arabia as the paying country. Without this WHT expense, the ETR for the UAE would be 0% and for Saudi Arabia 20% - both in line with local standard rates for the year.

In the reporting, a country may represent multiple legal entities. Due to tax regulations relating to offsetting trading losses, Mace is often prevented from offsetting trading losses from one entity to another in the same country. This can result in anomalous ETR positions, such as Denmark for 2022, where one entity made a small profit and the other made a significant loss. Mace still paid tax on the entity that was profit making.

## Current tax charge

Mace Group's domestic tax rate for 2022 was 19% (2019: 19%). Based on the consolidated profit before tax of £36.5m, the total income tax expense differs to the expected tax expense at the standard rate due to several factors:

	<b>Tax impact at 19%</b>
<b>Profit before tax - £19.7m</b>	<b>£6.9m</b>
Effects of:	
1. Due to A net increase in the group tax expense arising from both expenses not deductible for tax purposes, and income not taxable.	£1.8m
2. Due to different tax rates in our foreign jurisdictions, an increase in the group tax expense arose for 2022. This adjustment includes withholding tax suffered as well as an increase in the tax expense arising from losses arising in foreign branches subject to exemptions.	£4.2m
3. Various adjustments made in relation to prior accounting periods were made in 2021, resulting in an increase in the group tax expense. These adjustments were made to both UK and foreign entities, and included both current and deferred tax adjustments, including the impact of losses utilised where no timing differences were previously recognised.	£1.3m
<b>Total income tax expense</b>	<b>£14.2m</b>

## Overseas subsidiaries and branches

In line with the Tax Policy, decisions regarding both UK and international structuring are driven by operational rationale, and never with the aim of avoiding tax. Mace will not use tax havens for tax avoidance purposes and our presence in any country will be for reasons of bona fide commercial purposes.

As a truly global business Mace reported in Note 33 to the Financial Statements for year end 31 December 2022 subsidiaries in the following territories:

### Subsidiaries:

Country	Engine	Comments
Australia	Consult	Active trading company
Belgium	Construct	Active trading company
Brazil	Operate	Active trading company
Canada	Consult	Active trading company
Chile	Operate	Dormant
China	Operate	Active trading company
Croatia	Consult	Active trading company
Cyprus	Consult Operate	Historic structure for UAE branch, no tax advantage obtained over UK/UAE Tax Treaty
Denmark	Construct	Active trading company
Egypt	Consult	Active trading company
France	Consult	Active trading company
Germany	Consult	Active trading company
Ghana	Consult	Active trading company
Gibraltar	Group	EBT and EBT holding company
Hong Kong	Consult	Active trading companies
India	Consult Operate	Active trading companies
Ireland	Consult Construct Operate Group	Active trading companies. Group company is dormant.

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Mauritius	Consult	Active trading company
Morocco	Consult	Dormant
Netherlands	Construct	Active trading companies. One dormant subsidiary
Nigeria	Consult	Active trading company
Oman	Consult Operate	Active trading companies
Pakistan	Consult Operate	Active trading companies
Peru	Consult	Active trading company
Philippines	Consult	Active trading company
Poland	Consult	Active trading company
Portugal	Consult	Active trading company
Qatar	Consult Operate	Active trading companies.
Rwanda	Consult	Active trading company
Saudi Arabia	Consult Operate	One Consult subsidiary is dormant and in process of liquidation. Other subsidiaries are active trading companies.
Singapore	Consult	Active trading company
South Africa	Consult	Active trading company
Spain	Consult	Active trading company
Switzerland	Consult	Active trading company
Syria	Consult	Dormant. Unable to liquidate due to current political environment.
Turkey	Consult	Active trading company
UAE	Operate	Active trading company
Uganda	Consult	Active trading company
UK	Develop Consult Construct	Holding companies of the worldwide group and engines. Active trading entities. Some dormant entities.

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	Operate Group	
USA	Consult	Active trading company
Vietnam	Consult	Active trading company

## Overseas branches:

In addition to the subsidiaries listed above, the Mace Group operates in multiple foreign jurisdictions through the use of foreign branches, depending on the duration and/or requirements of the projects in the country. During 2022, the Mace Group had the following companies with foreign branches:

Company	Country of incorporation	Branch territory
Mace Holdings Limited	Cyprus	Kazakhstan (dissolved 2023)
Mace International Limited	Cyprus	Azerbaijan, Bahrain, Libya, Maldives, Qatar (dissolved 2022) UAE (Abu Dhabi and Dubai)
Mace Macro International Limited	Cyprus	UAE (Abu Dhabi and DTMFZA Dubai)
Mace Management Services Limited	Kenya	Mauritius (dissolved 2023)
Mace Consultancy (Europe) Limited	UK	Greece, Iceland, Slovenia, Sweden
Mace Consultancy (Netherlands) Limited	UK	Netherlands
Mace Consultancy (The Americas) Limited	UK	Peru
Mace International Overseas Limited	UK	Georgia
Mace Limited	UK	Ireland
Mace (New Zealand) Limited	UK	New Zealand
Mace Projects (South Africa) Limited	UK	South Africa
Mace Macro Africa Limited	UK	South Africa
Mace Macro (Asia Pacific) Limited	UK	India, Japan, South Korea, Singapore, Taiwan
Mace Macro Europe Limited	UK	Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Italy, Jersey, Netherlands, Norway, Portugal, Romania,

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		Slovakia, Spain, Sweden, Switzerland, Turkey
Mace Macro (The Americas) Limited	UK	Canada, Costa Rica, Mexico, Trinidad and Tobago, USA
Mace (Poland) Limited	UK	Poland

You can refer to the Fair Tax Mark list of potential tax haven jurisdictions published in August 2023 [here](#).

A Gibraltar resident Employee Benefit Trust is used to hold employee performance share awards due to be distributed in the future to employees. All withdrawals from the trust are subject to employee income tax and social security on vesting in their country of employment. Therefore, there are no tax benefits gained by either the Mace Group or its employees in having this arrangement. The EBT always waives its rights to a dividend each year, so no profit distributions are made to the Gibraltar resident trust.



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Tax Jurisdiction	Unrelated Party	Related Party	Total	Profit (Loss) before Income Tax	Income Tax Paid (On cash basis)	Income Tax - Accrued-Current year	Stated Capital	Accumulated Earnings	Number of employees	Tangible Assets
Australia	11,971,170	239,956	12,211,125	742,753	142,619	214,680	1	1,174,962	72	70,158
Austria	317,203	-	317,203	4,776	-	1,406	-	0	1	-
Azerbaijan	-	-	-	(7,151)	-	-	-	0	-	-
Bahrain	104,774	6,327	111,101	(58,977)	-	-	-	0	-	-
Belgium	44,329,920	733,929	45,063,848	7,923,626	(75,933)	84,203	89	(4,895,812)	4	-
Brazil	-	35,762	35,762	(1,000)	-	-	20,314	(188,856)	-	-
Canada	6,744,269	304,430	7,048,699	506,102	197,988	229,326	-	247,603	11	-
Chile	-	11,282	11,282	(343)	-	1,975	-	75,768	-	-
China	452,552	-	452,552	18,740	(1,379)	3,054	926,915	(573,443)	0	-
Costa Rica	-	-	-	(2,887)	-	-	-	(0)	-	-
Croatia	-	-	-	(3,256)	-	-	2,352	30,471	-	-
Cyprus	-	-	-	-	-	-	2,304	(2,304)	-	-
Czech Republic	396,423	-	396,423	5,792	-	1,112	-	0	5	-
Denmark	418,742	264,660	683,402	(224,572)	191,122	(18,484)	5,947	6,832,815	2	-
Egypt	1,071,855	9,900	1,081,755	(171,256)	77,943	11,135	8,011	722,988	40	25,726
Finland	9,792	-	9,792	148	-	37	-	(0)	-	-
France	4,112,045	-	4,112,045	70,053	(1,019,264)	65,927	13,303	156,411	19	426
Georgia	7	-	7	(4,701)	-	-	-	0	-	-
Germany	4,659,250	-	4,659,250	162,525	(72,707)	14,932	22,171	218,318	21	36,029
Ghana	5,234	-	5,234	(52,363)	-	-	15,117	(96,334)	-	-
Greece	3,264,688	8,243	3,272,932	938,026	-	206,856	-	(0)	4	-
Hong Kong	5,007,404	319,655	5,327,059	3,286,437	54,359	196,364	329	2,016,804	9	-
Iceland	9,637,529	-	9,637,529	2,281,205	327,354	387,427	-	0	1	-
India	7,554,988	635,783	8,190,771	200,286	(247,171)	221,763	999	3,339,289	318	117,095

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Tax Jurisdiction	Unrelated Party	Related Party	Total	Profit (Loss) before Income Tax	Income Tax Paid (On cash basis)	Income Tax - Accrued-Current year	Stated Capital	Accumulated Earnings	Number of employees	Tangible Assets
Ireland	66,292,139	2,981,148	69,273,287	6,220,275	1,520,357	699,559	90	8,091,131	114	-
Italy	1,384,488	-	1,384,488	25,563	-	8,077	-	0	9	-
Japan	143,927	258,164	402,092	215,224	-	1,277	-	0	-	-
Jersey	1,693,512	5,909	1,699,421	647,888	-	-	-	654,156	-	-
Jordan	19,043	18,212	37,255	1,038	6	6,434	23,310	(1,579)	-	-
Kazakhstan	-	-	-	-	-	-	-	-	-	-
Kenya	1,301,984	170,401	1,472,385	(799,336)	136,106	-	-	760,200	59	74,568
South Korea	-	26,781	26,781	451	-	-	-	-	-	-
Libya	-	-	-	-	-	-	-	-	-	-
Luxembourg	251,352	387,555	638,908	355,943	-	88,563	11,086	(346,762)	3	-
Macao	94,668	-	94,668	7,259	-	793	10,270	78,217	1	-
Maldives	21,569	-	21,569	(60,447)	3,112	(4,417)	-	0	-	-
Mauritius	127,332	-	127,332	93,042	1,034	-	187	396,856	-	-
Mexico	-	35,943	35,943	(1,882)	-	-	-	-	-	-
Morocco	-	-	-	(17,270)	-	-	7,920	(123,876)	-	-
Netherlands	143,289,772	468,743	143,758,514	(1,567,067)	-	43,300	15,964	(765,266)	42	-
New Zealand	62,816	171,478	234,294	20,019	-	(1,939)	-	0	-	-
Nigeria	13,629	1,884	15,513	(145,819)	-	547	19,931	(1,878,325)	1	-
Norway	-	4,254	4,254	(137)	-	-	-	(0)	-	-
Oman	3,207,352	69,465	3,276,817	92,817	181	(11,078)	858,586	(114,753)	30	659
Pakistan	621,113	56,446	677,559	(36,514)	(43,020)	33,078	188	(139,302)	3	-
Peru	17,519,085	356,818	17,875,903	5,308,138	5,064,459	4,750,616	-	8,854,290	60	-
Philippines	2,251,953	-	2,251,953	359,749	138,438	156,656	149,650	1,753,867	175	28,707
Poland	190,928	-	190,928	(724,595)	-	-	9,435	(2,962,058)	15	-

# TAX POLICY REPORT

Tax Jurisdiction	Unrelated Party	Related Party	Total	Profit(Loss) before Income Tax	Income Tax Paid (On cash basis)	Income Tax - Accrued-Current year	Stated Capital	Accumulated Earnings	Number of employees	Tangible Assets
Portugal	186,061	-	186,061	(171,816)	1,661	1,067	80,986	(90,724)	2	-
Qatar	-	-	-	(6,235,810)	-	-	-	(0)	-	-
Romania	1,348,444	6,403	1,354,847	14,351	6,434	2,420	-	0	11	-
Rwanda	(9,783)	224,999	215,216	(16,182)	-	-	-	(40,906)	1	-
Saudi Arabia	50,995,444	362,865	51,358,309	6,526,820	4,149,960	1,575,596	275,446	971,919	182	130,766
Serbia	-	-	-	-	-	-	-	-	-	-
Singapore	1,625,078	520,753	2,145,832	606,188	-	87,401	246,642	(102,560)	13	3,759
Slovakia	-	14,133	14,133	271	-	-	-	0	-	-
Slovenia	-	-	-	-	-	-	-	-	-	-
South Africa	1,754,304	291,425	2,045,729	(73,096)	-	(5,536)	49	(839,852)	4	62,297
Spain	6,173,448	17,916	6,191,364	445,619	(33,276)	6,492	1,347,540	(863,419)	83	23,508
Sweden	319,611	99,272	418,883	(277)	(168)	985	-	0	1	-
Switzerland	1,479,833	-	1,479,833	(29,503)	241,612	(304,852)	89,391	2,157,876	7	23,998
Syria	-	-	-	-	-	-	-	-	-	-
Taiwan	159,724	-	159,724	6,375	8,939	14,639	-	(0)	1	-
Trinidad and Tobago	352,241	-	352,241	5,317	11,589	26,271	-	0	-	-
Turkey	(0)	17,603	17,602	(9,776)	(1,052)	-	442	(32,730)	-	-
Uganda	179,400	-	179,400	45,188	20,529	16,782	-	51,984	-	8,414
UAE	38,551,696	19,545,562	58,097,258	8,491,318	1,655,899	(56,784)	224,876	12,911,996	390	844,527
United Kingdom	1,491,972,742	351,748,981	1,843,721,723	(23,246,576)	716,032	140,400	46,021,668	34,921,349	4,124	26,181,556
USA	52,750,722	911,464	53,662,186	5,458,223	935,685	1,729,702	-	4,602,584	247	248,260
Vietnam	6,628,674	1,289	6,629,963	530,684	-	124,657	140,577	(776,743)	105	11,239

# TAX POLICY REPORT

<b>1) Reconciliation of total revenues per CBCR to Financial Statements</b>	<b>£'000</b>	<b>£'000</b>
Total revenues per CBCR filing (internal and external)	2,374,358	
Revenues per statutory accounts	1,936,488	
		<b>437,870</b>
Adjustments to data for CBCR reporting purposes:		
Throughput income included as revenues	46,212	
Interest income included as revenues	5,574	
Intercompany revenues	381,346	
Other consolidation adjustments	4,738	
		<b>437,870</b>

<b>2) Reconciliation of PBT per CBCR to Financial Statements</b>	<b>£'000</b>	<b>£'000</b>
Total PBT per CBCR filing	18,016	
Profit before tax per statutory accounts	36,461	
		<b>(18,445)</b>
Group consolidation adjustments excluded for CBCR reporting purposes*		
Investment disposal adjustment	115	
Unrealised profit recognition	(75)	
Investment impairment reversals	(18,083)	
Intercompany reconciliation items	(761)	
Deferred income elimination	319	
Share of JV results	(251)	
Intangibles recognised on consolidation	2,157	
Loan recapitalisation	(1,510)	
Other consolidation adjustments	(355)	
		<b>(18,445)</b>

<b>3) Reconciliation of Income Tax Accrued per CBCR to Financial Statements</b>	<b>£'000</b>	<b>£'000</b>
Total Income Tax Accrued per CBCR filing	10,752	
Income tax expense per statutory accounts	14,220	
		<b>(3,468)</b>
Income tax expense items in financial statements excluded from CBCR results:		
Deferred tax movements	1,743	
Withholding taxes	89	
Intercompany revenues	(5,300)	
		<b>(3,468)</b>

\*Items are excluded for CBCR purposes, as they are not reported at a company level, as part of the local corporate income tax filings.

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