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TENNANTCO.COM

## TENNANT UK TAX STRATEGY

In accordance with Paragraph 16(2), Schedule 19, Finance Act 2016, Tennant sets out below its group tax strategy for all UK companies within the Tennant global group of companies. This strategy applies from the date of publication until it is superseded.

Unless otherwise stated, references to 'Tennant' or 'the Group' mean all UK companies within the Tennant Company worldwide group.

### Approach to Risk Management and Governance Arrangements

Tennant manages tax risks to ensure compliance with legal requirements, including the timely payment of taxes required by law. We require multiple levels of review to ensure we employ diligent professional care and judgment to identify, evaluate, monitor, and manage potential tax risks. Our staff are appropriately trained and experienced. We also seek advice from third party advisors in certain cases of uncertainty or complexity in relation to tax risk. Our approach is to manage tax risks and tax costs in a manner consistent with applicable regulatory requirements and with shareholders' best long term interests.

Local management or in-house tax management is in charge of compliance, and Senior Management of the worldwide Group oversees the tax strategy.

## **Attitude toward Tax Planning**

Tennant makes a good faith effort to remain compliant with the tax laws of the UK while remaining focused on creating sustained value for our shareholders. We engage in tax planning that is supported by law, integrated with our business, and reflects commercial reality and economic activities. This includes prudently claiming all relevant tax incentives and reliefs available under UK law.

When appropriate, we seek advice from international accounting firms, law firms, and other professionals specific to the UK. We also collaborate with external advisors to ensure tax implications of relevant business developments are properly understood taking into account changes in UK tax law, and compliance requirements in the UK.

## **The level of risk in relation to UK taxation that the Group is prepared to accept**

The level of risk that Tennant accepts is consistent with our overall objective of achieving tax certainty, creating value for shareholders, and being a good corporate citizen. Tennant's processes, policies, and governance operate to ensure compliance with tax laws and regulations in the territories where we operate and are designed to identify and mitigate material tax risks. We do not engage in activities that compromise our companies' strong reputation, and core values of collaboration, innovation and accountability.

## **The approach of the Group towards its dealings with HMRC**

Tennant's approach to dealing with HMRC is to maintain an open, professional and transparent relationship in relation to tax planning, compliance, strategy, risks and significant transactions. Tennant commits to make full and accurate disclosures in tax returns and in correspondence with HMRC. The Group shall co-operate with HMRC at all times and deal with issues in a timely and collaborative manner.

Tennant shall comply with its legal obligations and interpret legislation in a reasonable way that is aligned with the intentions of Parliament. Where genuine differences of opinion occur on the application of tax law, Tennant will first seek to resolve these with HMRC through open dialogue and with reference to the relevant legislation and case law.

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## **List of Entities Covered by this Tax Strategy**

Applied Sweepers Group Leasing

Applied Sweepers Holdings Limited

Applied Sweepers International Limited

Floorep Limited

Nobles Floor Machine Limited

Tennant Scotland Limited

Tennant UK Cleaning Solutions Limited

Tennant UK Limited

Vaclensa Limited

Walter Broadley Limited

Walter Broadley Machines Limited