

BDP Approach to Tax

Introduction

BDP is a major international practice of architects, designers, engineers and urbanists, with studios in the UK, Canada, Ireland, the Netherlands, China, UAE, India, and Singapore. BDP is part of the Nippon Koei Group, Japan's leading engineering practice. Both Groups retain their own operations and local identities, but our experience, skills and locations mean we are able to work collaboratively. Our business activities generate a substantial amount and variety of taxes. We pay corporate income taxes, employment and other taxes. In addition, we collect and pay employee taxes as well as indirect taxes such as VAT.

BDP's policies set out what is expected of everyone at BDP and our approach to tax is in alignment.

Our commitment is underpinned by the following principles:

1. Tax Planning

We engage in efficient tax planning that supports our business and reflects commercial and economic activity. We do not engage in artificial tax arrangements. We adhere to relevant tax law and we seek to minimise the risk of uncertainty or disputes.

We conduct transactions between NK and BDP Group companies on an arm's-length basis and in accordance with current OECD principles.

Tax incentives and exemptions are sometimes implemented by governments and fiscal authorities in order to support research and development, investment, employment and economic development; where they exist we seek to apply them in the manner intended.

We establish entities in jurisdictions suitable to hold our overseas investments, giving consideration to our business activities, and the prevailing regulatory environment available.

2. Transparency

BDP is committed to complying with tax laws in a responsible manner and to having open and constructive relationships with the UK tax authorities. We aim to make full and accurate disclosures to HMRC, meet statutory deadlines and respond to any queries in a timely manner. We will seek clarification as necessary for any complex areas of tax law or when new tax laws are introduced.

We support the principle behind multilateral moves towards greater transparency that increase understanding of tax systems and build public trust.

3. Tax Risk Management

We follow BDP's risk management system as part of our internal control processes. We identify, assess and manage tax risks and account for them appropriately. We implement risk management measures including controls over compliance processes and monitor their effectiveness.

4. Governance

The Group Finance Director owns and implements our approach to tax which is approved by the main Board with the support of the Financial Strategy Group. The Group Finance Director is also responsible for ensuring that policies and procedures that support the approach are in place, maintained and used consistently around the world, and that the global accounting team has the skills and experience to implement the approach appropriately.

Further information

Our approach to tax is applicable across the BDP Group. We review and update this document annually.

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