

AWE plc Tax Strategy

This document, as approved by the board of AWE plc, sets out the companies' approach to conducting its tax affairs and dealing with tax risks for the year ending 31st March 2025.

1. Overview

In compliance with paragraph 19(2) and paragraph 22(2) of schedule 19 of the Finance Act 2016, AWE plc is publishing its tax strategy for the year ending 31st March 2025.

This publication covers AWE plc and its directly and indirectly held UK subsidiaries.

The principal activities of AWE plc and its directly and indirectly held UK subsidiaries ('AWE') is the management and operation of the Atomic Weapons Establishment, comprising several sites including Aldermaston and Burghfield.

2. Tax Risk Management and Governance

AWE plc conducts all its business with honesty and integrity.

The policies including policies governing its international operations and tax matters are aimed at ensuring compliance with all applicable UK and non-UK laws. Such policies are set by AWE Nuclear plc's Chief Executive Officer and Chief Financial Officer, with oversight for the tax function and implementation of tax related policies and procedures led by the Finance Director.

Tax matters in the UK are managed by the designated Senior Accounting Officer. In operating its tax management and governance processes AWE plc has a low tolerance for tax risk.

The company is committed to full compliance with the laws of all jurisdictions in which it operates and aims to pay all relevant taxes in accordance with applicable laws and regulations.

3. Tax Planning and Acceptable Tax Risk

Given its business is heavily regulated and the customer base is principally government customers, the company works to maintain its reputation as a compliant contractor, including with respect to tax laws. As a result, the company strives to be fully aware of the tax implications of the commercial and government transactions it is considering ensuring that they are carried out in the most tax efficient manner, and not in a manner that exposes AWE plc to undue tax risk.

4. Relationship with HMRC

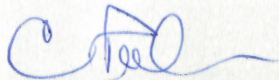
AWE plc engages with HMRC openly and constructively, based on mutual trust and cooperative compliance. The relationship is overseen by the Senior Accounting Officer with support from the finance team.

The company's open approach with HMRC assists in its aim to pay all relevant taxes in accordance with applicable laws and regulations, while ensuring that it maintains a transparent working relationship with HMRC.

Where appropriate and possible, the company engages transparently with HMRC in real time on areas of material uncertainty so that it can minimise tax risk and provide maximum certainty for its tax positions and filings.

Signed on behalf of the AWE plc

- AWE plc is obliged to publish their tax strategy on the external website. This needs to be reviewed and republished annually by 31st March.



Signature of Accountable
Person

Chris Palmer

Finance Director & Senior Accounting
Officer