EDRINGTON

Tax Strategy

This document summarises the tax strategy of The Edrington Group Ltd and its UK subsidiaries ("Edrington"), the publication of which fulfils the requirements of paragraph 16(2) of Schedule 19 of The Finance Act 2016.

Edrington's tax strategy, as set by the board of directors, is to be globally tax compliant by paying the right amount of tax at the right time in the right jurisdiction. The tax strategy is reviewed periodically, updated as appropriate and approved by the board.

Approach to risk management and governance arrangements

Effective risk management is imperative for Edrington and the company has developed a robust framework for the management and control of our tax affairs and risks. The chief financial officer has responsibility for tax at board level and day-to-day tax affairs are managed by suitably qualified and experienced members of staff. Where appropriate, advice is sought from professional external advisers.

Attitude towards tax planning

Edrington seeks to understand and optimise the tax consequences of business decisions. The board will review business reorganisation or change and will assess tax, alongside other costs, in considering whether the outcome is optimal for the business but Edrington will not engage in artificial tax arrangements.

Risk appetite

Edrington's appetite for risk is a carefully calibrated part of the business model aligned to the strategic and corporate objectives. The aim is not to eliminate or avoid risk entirely, but to strictly manage Edrington's exposure to risk. Tax risk will be effectively managed in accordance with the low risk appetite set by the board.

Approach towards dealings with tax authorities

Edrington aims to develop and maintain professional working relationships with HMRC, in particular with its customer relationship manager, with whom regular dialogue is maintained. In its dealings with HMRC, Edrington will act in an open, honest and transparent manner and any issues that arise will be dealt with as soon as reasonably possible.

March 2020
(relating to financial year ending 31 March 2020)