



## Hilco London Limited

# Tax Strategy

## 1. Introduction

- 1.1. This tax strategy document sets out the strategic tax objectives for the Hilco London Limited group together with its subsidiaries ("the Group"). We are publishing our tax strategy online for free of charge to fulfil our responsibilities under Schedule 19 of the Finance Act 2016.
- 1.2. The tax strategy and strategic objectives are intended to apply to the Group. The strategy applies to UK Taxation as defined within the UK tax strategy legislation (see para 15, Sch 19 FA16).
- 1.3. The principal activities of the Group are that of distressed company investment, business and management consultancy, and retail sales consultancy. The activities undertaken by the business incur a range of taxes, the appropriate arrangements are in place to accurately calculate the relevant liabilities needed.

## 2. Risk Management and Governance

- 2.1. The tax strategy is prepared and updated by the European Chief Finance Officer (the "European CFO"), in conjunction with the finance team and is approved by the Board of Hilco London Limited (the "Board"). Overall execution of the strategy is the responsibility of the Board, with day-to-day responsibility delegated to the European CFO.
- 2.2. The strategy applies to all Group staff that have a responsibility for tax. It is communicated to relevant stakeholders in the business. It is reviewed and updated, as necessary, on an annual basis, to consider changes to our structure or how we do business.
- 2.3. The Group's governance and risk management framework, including the Board's appetite for risk, is set out in our Annual Report. Our tax operating model forms part of this framework and is delivered by the people we employ in the business that have responsibility for tax compliance. It is underpinned by accounting routines and a summary of our key tax risks with associated mitigating controls, which we monitor to ensure we remain tax-compliant. Risk and internal controls are reviewed regularly and are reported as part of overall reporting on risk and controls to the Board.
- 2.4. The European CFO has overall responsibility for the execution of the strategy. On a day-to-day basis, preparation of information and returns, and payments of tax are dealt with by the finance teams across the Group. The members of the finance team responsible for accounting for tax are encouraged to undertake relevant training.
- 2.5. To the extent required, appropriate professional advice is sought in respect of day-to-day compliance and non-routine transactions or exceptional items.

## 3. Tax Planning



- 3.1. We do not engage in planning schemes or arrangements that we consider could be perceived as being aggressive or artificial in nature. We maintain an open dialogue with HMRC with a view to identifying and solving issues promptly.

## 4. Attitude Towards Risk

- 4.1. The Group's tax strategy is compliance-based; its strategy is to account for tax on an accurate basis. The Group's appetite for tax risk is low and we only structure our affairs based on sound commercial principles.
- 4.2. Changes to tax legislation which affect the Group are discussed with the Group's tax advisers on an ongoing basis. These are then considered in the risk review, overseen by the Board with support from the European CFO.

## 5. The Group's approach towards its dealings with HM Revenue and Customs ("HMRC")

- 5.1. The Group seeks to maintain open, constructive and professional relationships with HMRC as well as other tax authorities at all times. The Group complies with local rules and regulations on documentation retention and provides any relevant information requested by the relevant tax authority promptly to help accurately establish the company's tax liabilities.
- 5.2. The Group engages in timely conversations with HMRC (and as needed other tax authorities) where there are significant changes in the group's business, major transactions, systems and processes or any other operations that might have a material impact on the tax characteristics of the Group or where the interpretation of the law or practical application thereof is unclear.

