

## **World Duty Free UK Group Tax Strategy**

In accordance with paragraph 16(2) of Schedule 19 of the Finance Act 2016 this tax strategy for the year ended 31 December 2023 is approved by the Board of World Duty Free UK operating as WDFG UK (WDFG UK Holdings Ltd, WDFG UK Ltd and WDFG Ferries Ltd). Ultimate responsibility for the tax strategy and compliance rests with the UK Executive board. Responsibility for day-to-day tax matters has been delegated to the UK Tax Department.

### **The WDFG UK Group is committed to:**

- Following all applicable laws and regulations relating to its tax activities.
- Maintaining an open and honest relationship with the tax authorities based on collaboration and integrity.
- Applying diligence and care to our management of the processes and procedures by which all tax related activities are undertaken, and ensuring that our tax governance is appropriate.
- Legally applying incentives and reliefs to minimise the tax cost of conducting our business while ensuring that these reliefs are not used for purposes, which are knowingly contradictory to the intent of the legislation.

This strategy applies to the compliance, payment and reporting of all taxes borne and collected by WDFG UK, the principal ones being corporate, employment & indirect taxes.

### **Risk management**

WDFG UK approach to tax risk management is based on the core principles of reasonable care and materiality. When reviewing the Tax Risks associated with a specific decision or action, the Group ensures that the following are considered:

- The tax strategy is aligned with WDFG UK overall business strategy and approach to corporate governance and risk management
- The legal and fiduciary duties of directors and employees.
- The requirements of any related internal policies or procedures including certification on the corporate tool (Blackline) that relevant checks and reconciliations have been performed.
- The maintenance of the Group's corporate reputation, having particular regard to the way we interact with the communities around us.

The Tax Department carry out reviews of activities and processes to identify key risks and the mitigating controls in place. These key risks are monitored for business and legislative changes, which may impact them. Changes to processes or controls are made when required. Appropriate training is carried out for staff outside of the Tax Department who manage, or process matters, which have tax implications.

## Tax planning

The Group's tax planning aims to support the commercial needs of the business by ensuring that the companies affairs are carried out in the most tax efficient manner whilst remaining compliant with all relevant laws. In cases where the tax guidance is unclear or the Group does not feel it has the necessary expert knowledge to assess the tax consequences adequately, external advice may be sought to support the Group's decision-making process.

## Approach towards dealings with HMRC

The Group is committed to the principles of openness and transparency in its approach to dealing with HMRC, and in particular the Group commits to:

- All tax returns submitted within the filing deadline and tax liabilities settled within the due dates.
- Seek to resolve issues with HMRC in a timely manner, and where disagreements arise, work with HMRC to resolve issues by agreement where possible.
- Be open and transparent about decision-making, governance and tax planning.
- Reasonably believe that transactions are structured to give a tax result which is not inconsistent with the economic consequences (unless specific legislation anticipates that result), nor contrary to the intentions of Parliament.
- Ensure all interactions with HMRC are conducted in real time with an open, collaborative and professional manner.



Signed on behalf of the World Duty Free UK Group