

In compliance with section 161 and section 19(2) of schedule 19 Finance Act 2016, the company is publishing its tax strategy for the year ending 1st April 2018. In addition to this the company has also considered part 3 (corporate offences of failure to prevent facilitation of tax evasion) of the Criminal Finances Act 2017.

As the head company of the UK sub-group, we confirm that this strategy will apply to the following subsidiary UK companies in addition to the Parent company:

- Cellars International Limited;
- Nisa Today's (Ireland) Limited;
- Nisa-Today's Limited;
- Nisa Limited;
- Premier Drinks (UK) Limited;
- Nisa Wholesale Limited;
- Nisa-Today's Central Buying Company Limited

Our business has a strong focus on corporate responsibility, and we see responsible administration and payment of taxation as a responsibility of our business.

Our overall tax strategy is to:

- Meet all legal requirements and to make all appropriate tax returns and tax payments.
- Seek to utilise available tax reliefs and incentives where available in a manner which is consistent with the government's policy objectives.
- Consider the tax impact in major or complex business decisions, for example acquisitions.
- Operate in an environment where we consider tax in the context of our reputation and brand. Comply with appropriate tax risk processes, and ensure there is Board oversight into this compliance.

Risk management and governance arrangements

We want our tax affairs to be transparent and compliant with tax legislation, and recognise that managing tax compliance is increasingly complex.

Our internal structure is set up to ensure:

- The Executive Board of directors understand the importance of tax compliance, and how it is achieved.
- There is a constant dialogue between the Executive Board and those individuals tasked with the operation of our finance function, regarding the way our business manages its tax risk.
- The business portrays a positive view towards tax compliance and the importance of meeting our obligations.

We keep under review how we meet our tax obligations, by seeking external tax advice and how we manage our relationship with tax authorities.

Tax planning

Professional advice is sought on a transactional basis, with the depth of such advice being driven by our assessment of the risk presented by each opportunity.

We do not undertake aggressive tax planning, the sole purpose for which would be obtaining a tax advantage. We have a responsibility to minimise our tax risk and our exposure to negative publicity through non-compliance.

Attitude towards risk

The Executive Board sees compliance with tax legislation as key to managing our tax risk. We understand the importance of tax in the wider context of business decisions and have processes in place to ensure tax is considered as part of our decision making process.

We have relationships with professional advisers that allow us to seek expert advice on specialist areas of tax. Our approach is to ensure we are compliant and understand our responsibilities with regards to tax, rather than looking for ways to aggressively avoid payment of tax. We note that we have not participated historically or in the current year with any tax planning schemes.

The Executive Board is conscious of the hugely negative publicity attracted by a bad attitude towards tax, and sees strong internal processes and a good relationship with our professional advisors as the best way to manage this reputational risk.

Relationship with HM Revenue & Customs (HMRC)

Our communication with HMRC is focussed around timely tax compliance, for example meeting relevant filing and payment deadlines for taxes the company pays where ever possible.

We employ the services of professional tax advisers to act as our agents, and in a number of cases they liaise with HMRC on our behalf. This is seen by the Executive Board as a way to ensure we get the most out of our relationship with HMRC, thus reducing our tax risk.

We hold regular meetings with HMRC and if any possible improvements to our systems and processes have been identified, we work collaboratively to identify and implement solutions that ensure full compliance with regard to our obligations.