



Wittington
INVESTMENTS

Tax Strategy

December 2018

The publication of the following tax strategy is in accordance with the requirements of Section 161 FA 2016 for the financial year ending 15 September 2018

1. Scope

This strategy applies to Wittington Investments Limited ('Wittington') and to the group of companies headed by Wittington in accordance with paragraphs 19 and 25 of Schedule 19 to the Finance Act 2016. A list of the entities to which it applies is set out below. In this strategy, references to 'Wittington', 'the firm' or 'the group' are to all these entities. The strategy has been published in accordance with paragraph 16(4) of the Schedule.

The first period to which the Schedule applies is the accounting period beginning on 18 September 2016.

This strategy applies from the date of publication until it is superseded. References to 'UK Taxation' are to the taxes and duties set out in paragraph 15(1) of the Schedule which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, and Stamp Duty Land Tax. References to 'tax', 'taxes' or 'taxation' are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which the Group has legal responsibilities.

The business of Wittington Investments Limited is the management of investments in a wide range of assets. Of these, the largest, accounting for some 96% of its consolidated profits before taxation, is its 54.5% shareholding in Associated British Foods plc ('ABF') which is quoted on The London Stock Exchange. ABF's tax strategy and tax matters have been delegated to ABF's Board by Wittington's Board. ABF's separate tax strategy is available at www.abf.co.uk.

Wittington is managed in five different business segments, being Other Retail, Real Estate, Hotels, Private Markets and Other Investments. Whilst operational decisions are made by managers in each of the business segments, the corporate centre provides a framework within which these managers have the freedom to act. The corporate centre agrees strategy with the businesses as well as monitoring performance.

2. Aim

Wittington is committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The group's tax affairs are managed in a way which takes into account the group's wider corporate reputation in line with Wittington's overall high standards of governance.

3. Governance in relation to UK taxation

- Ultimate responsibility for Wittington's tax strategy and compliance rests with the Board of Wittington;
- The Chief Investment Officer ('CIO') is the Board member with executive responsibility for tax matters. The Chief Financial Officer ('CFO') attends all Board meetings.
- Day-to-day management of Wittington's tax affairs is delegated to the Tax Manager, who reports to the CFO;
- The CFO reports to the Board on Wittington's tax affairs and risks which could have a material impact on the group.

This policy will be reviewed by the Board on an annual basis or more frequently as necessary.

4. Risk Management

- Wittington operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the group's financial reporting system;
- Wittington seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations;
- Reviews of activities and processes to identify key risks and mitigating controls periodically take place. These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required;
- Appropriate training is carried out for staff who manage or process matters which have tax implications;
- Advice is sought from external advisers where appropriate; and
- Areas of tax compliance are outsourced to external advisers.

5. Attitude towards tax planning and level of risk

Wittington manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

When entering into commercial transactions, Wittington seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax

legislation. Wittington does not undertake tax planning unrelated to such commercial transactions.

The level of risk which Wittington accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the group's tax affairs. At all times Wittington seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen.

6. Relationship with HMRC

Wittington is committed to having an open, transparent and constructive relationship with HMRC. Wittington endeavours to conduct all dealings with HMRC on a collaborative, courteous and timely manner with a view to having this approach reciprocated. Meetings and communication takes place with HMRC in respect of, current, future and retrospective tax risks, business developments and interpretation of the law in relation to all relevant taxes.

Wittington endeavours to ensure that tax matters are discussed with HMRC on a real time basis and any tax issues arising are raised at an early stage. When submitting tax computations and returns to HMRC, Wittington discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain.

Any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.

7. Tax Principles

Wittington's principles governing the management of its tax affairs are fully aligned with the group's wider commercial, reputational and business practices and are consistent with its commitment to corporate responsibility.

They consist of the following:

- complying with applicable tax laws, rules, regulations and disclosure requirements;
- paying the right amount of tax based on the tax laws, rules and regulations of the territories in which we operate;
- interpreting tax law using relevant guidance and discussing such interpretation with tax authorities and external advisers where appropriate;

- when entering into commercial transactions managing tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. Wittington does not undertake tax planning unrelated to such commercial transactions.
- seeking to have constructive and transparent working relationships with tax authorities based on mutual respect and trust; and
- proactively managing and monitoring compliance with the above tax principles.

8. List of entities covered by this Tax Strategy

Wittington Investments Limited
 Wittington Investments (Sandaire) Limited
 Wittington Investments (Coller) Limited
 Wittington Investments (BV II) Limited
 Wittington Investments (BSPF) Limited
 Wittington Investments (FAPI) Limited
 Wittington Investments (PPE IV) Limited
 Wittington Investments (Bestport) Limited
 Wittington Investments (Dunedin) Limited
 Wittington Investments (Next Wave) Limited
 Howard Investments Limited
 Wittington Investments (OCP) Limited
 Wittington Investments (WHEB) Limited
 Wittington Investments (WPX) Limited
 Wittington Investments (Harbourvest) Limited
 Wittington Investments (VO1) Limited
 Wittington Investments (CarePlaces) Ltd
 Wittington Investments (BV III) Ltd
 Wittington Investments (Properties) Ltd
 Wittington Investments (Developments) Ltd
 Wittington Investments (Richmond Hill Hotel) Ltd
 Richmond Hill Hotel (Operations) Ltd
 Wittington Investments (PPE V) Limited
 Wittington Investments (REOF) Limited
 Wittington Investments (17) Limited
 Wittington Investments (Dunedin III) Limited
 Wittington Investments (Graphite) Limited

Wittington Investments (Apollo) Limited
Wittington Investments (Brighton Grand) Limited
Brighton Grand Hotel Operations Ltd
Wittington Investments Finance Limited
Wittington Investments (BPA II) Limited
Wittington Investments (FIPL) Limited
Wittington Investments (FAPI II) Limited
Wittington Investments (Private Equity) Limited
Wittington Investments (BSP) Limited
Avery Row Management Limited
Listergate Student Holdings Limited
Heal and Son Limited
Heal's Plc
Heal's Holdings Limited
Fortnum and Mason Plc
Fortnum and Mason Events Limited