



AURUM GROUP TAX STRATEGY – FINANCIAL YEAR ENDING 29 APRIL 2018

INTRODUCTION

The following tax strategy outlines how the Aurum Group of companies (AURUM) adheres to the Finance Act 2016 requirements of preparing and publishing their tax strategy.

OUR BUSINESS

AURUM Group is a leading multi-channel retailer of luxury watches and jewellery.

The Group offers luxury watches through stores that are branded under the recognised Watches of Switzerland, Mappin & Webb, Mayors and Goldsmiths brands, as well as mono-brand stores under a single luxury watch brand. We offer our own jewellery brands and third-party jewellery brands through Mappin & Webb, Mayors and Goldsmiths stores, and also offer fashion and classic watches through Goldsmiths stores. We also offer certain luxury watches, fashion and classic watches, and jewellery online through our own Watches of Switzerland, Goldsmiths, Mappin & Webb, WatchShop and The Watch Hut branded websites.

AURUM employs approximately 2,000 people globally.

TAX STRATEGY

Our tax strategy comprises four key components:

1. AURUM's approach to governance arrangements and risk management in relation to UK taxation

AURUM maintains internal tax procedures to support its tax controls and has a team of in house qualified accounting professionals who report through to the Chief Financial Officer.

Governance Arrangements

The Chief Financial Officer is fully aware of his duty and has executive responsibility for all tax matters. The day-to-day management of the Group's tax affairs is handled by an in-house team of accounting professionals comprising Financial Accountants and the Head of Finance. The Head of Finance would apprise the Chief Financial Officer of any complex tax areas and any new areas of tax legislation relevant to the Group. In addition regular meetings are held with the group's tax advisers to discuss ongoing matters and changes in tax legislation.

Risk Management and Internal Controls

AURUM ensures strong risk management and Internal Controls is embedded throughout the business by ensuring reasonable care is applied in relation to all processes which could materially affect its tax obligations.

Our team along with our advisers would review any new legislation and possible risks which could affect the business and ensures that appropriate controls are in place to mitigate key risks. Any significant matters are communicated with the Chief Financial Officer.

2. AURUM's attitude towards tax planning

AURUM aims to comply with all applicable tax rules and regulations.

Any transactions undertaken by AURUM have a commercial purpose and are not led by artificial tax planning considerations.



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Advice may be sought from external tax advisers to support the in-house professionals in evaluating risk areas, adhering to complex tax laws and implementing best practice.

3. AURUM's view on the level of risk in relation to UK taxation that the Group is prepared to accept

AURUM is committed to paying the right amount of tax, in the right place and at the right time.

AURUM endeavours to ensure both the integrity of all reported tax numbers and compliance with all of our tax obligations across all Group companies.

AURUM monitors new tax legislative changes and realigns internal tax processes to be compliant where necessary.

The AURUM Group aims to ensure the timely filing of all relevant tax returns and the timely payment of all tax liabilities. Our approach to tax risk governance, as highlighted above, assists in ensuring that any tax risks are identified and managed in a timely, proactive and transparent manner.

4. AURUM's approach towards its dealings with HMRC

We engage with HMRC constructively, honestly and in a timely and professional manner. We will seek to resolve disputed matters through active and transparent engagement.

Regular contact is made with our Customer Relationship Manager at HMRC.

AURUM has an in-house team of qualified accounting professionals. The team has knowledge across tax areas relevant to the group and liaises with professional advisers when the need arises.

Note: AURUM regards this publication as complying with the duty under paragraph 16(2), Schedule 19 Finance Act 2016.

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