



First Milk Limited's UK Tax Strategy

This document sets out the tax strategy of First Milk Limited ("the Group") as required by Paragraph 16(2) and paragraph 25(1) Schedule 19 of the Finance Act 2016 and is effective for the financial year ended 31st March 2018.

The published strategy covers the following areas (all in relation to UK taxation):

- Approach to risk management and governance arrangements
- Attitude towards tax planning & risk
- Approach towards the Group's dealings with HMRC

Approach to Risk Management and Governance Arrangements for UK Tax

The board has overall responsibility for risk management. An organisation's risk appetite is the amount and type of risk that it is willing to take in order to meet its strategic objectives.

Risk appetite defines the acceptable risk parameters within which the business conducts business financially, strategically, operationally and reputationally. This acts as a benchmark against which the risk implications of decisions should be measured.

Risk appetite is defined on both a qualitative and quantitative basis and the Group's risk appetite will be reviewed on an annual basis.

In pursuing its business objective, the Group's approach is to minimise its exposure to certain risks. The board recognises that the Group's appetite for risk varies according to the activity being undertaken and that its acceptance of risk is subject to ensuring that potential benefits and risks are fully understood before developments are authorised and that measures to mitigate risks are in place.

The Group will ensure it is fully compliant with all applicable tax laws, rules, regulations, and reporting and disclosure requirements. Where any uncertainty arises as to the application or interpretation of tax law appropriate advice will be taken from third party advisers.

Attitude towards tax planning & risk

The Group's attitude for tax risk is determined by a desire to achieve certainty in its tax affairs. The Group seeks to ensure compliance with regulations, the accurate preparation of returns and the payment of any obligations in a timely manner.

The Group will consult with external advisors in relation to changes in tax laws to minimise uncertainty and risk where necessary.



Approach to dealing with HMRC

The Group adopts an open and collaborative and professional relationship at all times with HMRC. We endeavour to make fair, accurate and timely disclosures in correspondence and returns, and respond to queries and information requests in a timely fashion. We seek to resolve issues with HMRC and where disagreements arise, work with HMRC to resolve issues by agreement (where possible) and sometimes with the aid of external advisors.

This UK Tax Strategy document was reviewed and approved by First Milk's Board of Directors on 28th March 2018.