

Tax Strategy

Laird operates with integrity in all tax matters and takes into account the needs of all relevant stakeholders. We operate an effective tax control framework to ensure compliance with all relevant legislative and regulatory requirements, while maximising shareholder value in line with our stated commercial strategy.

The commercial strategy of the business is supported by tax-aware, commercial decisions that are made in a timely manner. They provide a sustainable operating platform to the Group's commercial activities and are designed to ensure that the Group's tax obligations are consistently met whilst maintaining Laird's reputation for innovation, reliable fulfilment and speed.

Background

Laird's tax strategy applies to all taxes in all countries. Further, this strategy applies to all individuals involved in managing Laird's tax affairs, whether directly or indirectly.

The strategy is reviewed and approved by the Laird Audit Committee (AC) every year. The AC also receive regular updates on material tax issues, disputes, effective tax rates and any proposed changes to the tax strategy.

Approach to Tax matters

The tax profile of the group is driven by the commercial realities of the way in which Laird operates and sells its products and services to its customers. The commercial substance of the group underpins all tax decisions as the tax team pro-actively partner with the business to provide clear, timely, relevant and business-focussed advice across all aspects of tax on commercial transactions.

Where alternative routes exist to achieve the same commercial result, the most tax-efficient approach in compliance with all relevant laws and regulations should be considered. However, tax planning that only seeks to obtain a short-term tax benefit will not be implemented as it does not adopt a long-term commercial view.

Laird aims to establish trusted professional relationships with tax authorities globally. We are open and transparent about our tax affairs and significant transactions. We work cooperatively with the authorities to resolve issues in a positive and professional manner.

We operate effective tax governance, understanding our tax control framework with a view to adjusting our approach to ensure compliance with our tax obligations in the face of commercial, legislative and regulatory change.

Tax Governance & Risk Management

Risk review processes and control mechanisms are embedded into the relevant 'day job' management framework with the aim of managing rather than eliminating risk in accordance with the AC's risk appetite in relation to strategy and delivery of objectives.

The AC conducts an annual review of the effectiveness of the risk and controls framework, and reviews the principal risks and the arrangements for monitoring and controlling the risk environment.

Changes to the risk environment and management of specific risk and governance incidents are reported to every AC meeting.

Our approach to risk management provides a consistent approach to managing risk across Laird. This consistency of approach allows a Group-wide view of relative risks and returns, into which tax is integrated. From a tax perspective the roles and responsibilities and the reporting requirements for escalating tax risks are aligned with the existing risk management reporting mechanisms. Where there is significant uncertainty or complexity in relation to a risk, external advice may be sought.

Laird regards this publication as complying with the duty under paragraph 16(2) of Schedule 19 Finance Act 2016. AC approval for this strategy which applies for 2018 and 2019 to-date was received on 23 April 2019.