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MARSTON'S PLC GROUP TAX STRATEGY

This Tax Strategy, approved by the Board of Marston's PLC, sets out the Group's approach to managing its tax affairs.

Overview

Marston's recognises that collecting and paying tax are an important part of the way in which our business contributes to society, and the Group takes its obligations very seriously.

Our Tax Strategy is focussed on the following key components:

- To ensure that we pay the right amount of tax at the right time
- To deliver an effective tax risk management process which reduces risk to an acceptable level
- To arrange our tax affairs in an efficient manner
- Not to undertake purely artificial transactions in order to obtain a tax benefit
- To develop and maintain a positive relationship with HM Revenue and Customs

Governance and Risk

The Board is aware of the importance of managing the Group's tax affairs, and has delegated responsibility to one member of the Board, namely the Chief Financial and Corporate Development Officer (CFO), who updates the Board on key tax issues.

Due to the size and complexity of Marston's business there is an inherent degree of tax risk. We recognise that eliminating tax risk entirely is impossible, but we aim to manage our tax risk as far as practically possible.

We undertake an annual and ongoing tax risk assessment process to identify key tax risks and ensure appropriate controls are in place to reduce those risks to an acceptable level.

Marston's has in place an appropriately qualified and experienced tax team, reporting directly into the CFO. The team ensure that they satisfy the CPE requirements of their professional bodies, and keep up to date with new and emerging legislation and guidance.

There are effective channels of communication between the tax team and the rest of the business to ensure the tax team can brief the business on tax matters affecting them, and the tax team is made aware of operational changes/activities which may have a tax impact.

External advisors are engaged to provide technical expertise, where necessary, on, for example, particularly complex transactions or new legislation.

Attitude to Tax Planning

Marston's has a duty to its shareholders to manage business expenses, which include taxation.

Therefore in calculating its tax liabilities Marston's maximises its utilisation of all available tax reliefs and allowances, and aims to achieve the most beneficial tax treatment in respect of all its business activities.

In doing this Marston's does not adopt tax positions that are clearly contrary to what legislation intended, but occasionally there may be areas of differing legal interpretations between ourselves and HMRC. Where disagreements do arise we work with HMRC to resolve issues by agreement where possible.

Marston's does not engage in artificial or contrived arrangements whose sole purpose is to obtain a tax benefit.

Marston's is always mindful of its reputation and will not adopt any tax planning which carries significant reputational risk should it become public, or would damage its relationship with HMRC.

Working with HM Revenue and Customs

We have an open, honest and collaborative relationship with HMRC, and value the trust which HMRC places in our business to correctly account for the taxes due.

In all our dealings with HMRC, we seek to maintain and further build on that relationship.