

Spectrum Brands Tax Strategy

United Kingdom

Spectrum Brands Holdings (Spectrum Brands), is a global consumer products company offering a portfolio of leading brands providing superior value to consumers and customers every day. Our products are sold by the world's top 25 retailers and are available in more than one million stores in approximately 160 countries.

We pay significant amounts of corporate income taxes, customs duties, excise taxes, employment and other business taxes globally. We also collect and pay employment taxes and indirect taxes such as Value Added Tax (VAT), sales, use, property and other taxes.

Spectrum Brands observes all applicable laws, rules and regulation and fulfill all reporting responsibilities in the jurisdictions in which Spectrum Brands operates.

The following principles set out Spectrum Brands' tax strategy and apply to all of our UK entities.

1. Tax Compliance

Compliance for us includes meeting our tax reporting, filing and payment obligations. Spectrum Brands seeks to comply with all tax rules and regulations on a worldwide basis. Spectrum Brands regularly seeks advice from reputable worldwide and UK tax advisors to ensure compliance with all applicable laws, rules and regulations.

Spectrum Brands maintains internal policies and procedures to support its tax control framework. These policies and procedures are embedded into our global SOX 404 framework. All personnel with tax responsibilities receive training and support to ensure that they have the skills, technical expertise and knowledge to fulfill their tax responsibilities.

2. Organization

Accountability for all tax matters lies with the Spectrum Brands tax department which is led by the SVP Corporate Tax and Treasury. All tax reporting lines for members of the tax team are reflected either directly or indirectly in the group tax structure. The Spectrum Brands UK CFO is responsible for the day-to-day management of all UK finance matters, including tax. As the UK entities are part of a US listed group, they are required to report on a quarterly basis to head office and the European tax department in Germany on performance to ensure governance and oversight of tax risks.

3. Tax Risk Management and Tax Planning

In completing our tax requirements, Spectrum Brands aims to apply diligent professional care when ensuring that all decisions are taken at an appropriate level and in a manner consistent with relevant tax laws. We also seek to claim reliefs and incentives where allowable and in a manner consistent with relevant tax laws.

Spectrum Brands applies the arm's length standard to ensure the parties to intercompany transactions are appropriately remunerated.

The Spectrum Brands tax department supports the business in creating and protecting shareholder value while complying with rules and regulations in the jurisdictions in which Spectrum Brands operates. We strive for our taxes to be aligned with the business operations. Spectrum Brands monitors and reviews its operations in the UK and elsewhere to maintain compliance with relevant tax rules and regulations.

4. Relationship with tax authorities

Spectrum Brands is committed to being open and transparent with tax authorities, including HMRC and ensuring compliance with all relevant legal disclosure requirements. Spectrum Brands believes in working positively and proactively with tax authorities to minimize the extent of disputes and to achieve early agreement on disputes wherever possible.

Our tax strategy statement has been approved by Dr. Andreas Rouvé (CEO Spectrum Brands group) and Mr. Doug Martin (CFO Spectrum Brands group) on September 22, 2017.

The publication of our tax strategy statement is regarded as complying with Part 2 of Schedule 19 of the 2016 Finance Act.