

Christie's UK Tax Strategy for the 2021 Financial Year

Introduction

Christie's is a global art business, operating through salerooms located in major cities around the world, private sales channel and a digital platform.

Christie's employees doing business in the UK and internationally are required to comply with all applicable laws and regulations and uphold the standards provided in Christie's Code of Conduct and Policies. Furthermore, Christie's conducts its tax affairs responsibly in every jurisdiction in which it operates and this also applies to the UK.

How we manage tax risks

Christie's ensures that key tax risks are identified, monitored and minimised by proactively improving its tax controls, processes and procedures. Wherever possible, processes are automated, using relevant technology to improve efficiency and accuracy.

In managing its tax risks, Christie's aims to apply diligent professional care and judgement, including ensuring that all decisions are taken at an appropriate level and supported by documentation that evidences any decisions taken.

Christie's CEO and Chief Operating Officer, members of the Christie's International plc¹ Board, along with its Audit Finance Risk Management (AFRM) Committee, provide strategic oversight over any significant tax matters.

The AFRM, with delegated authority from the Christie's International plc Board, reviews and approves Christie's UK Tax Strategy. Further, the AFRM is updated on areas of material tax risks by Christie's group tax function on a regular basis.

Christie's group tax function

Christie's group tax function is responsible for ensuring that tax governance, policies and procedures are in place, maintained and applied consistently across its UK group companies to manage and minimise material tax risks.

To achieve this, Christie's group tax function discusses areas of material tax risks with the relevant personnel within the firm and provides tax training to ensure that personnel with tax responsibilities or whose business activities may have a tax

¹ Christie's International plc is the top holding company for Christie's group worldwide.

impact, have a reasonable understanding of how tax risks are identified, reported and managed.

In addition, Christie's uses tax risk management procedures, including the UK Senior Accounting Officer (SAO) compliance reviews to ensure that tax risks are managed effectively by all relevant business functions as well as senior management. In particular, Christie's uses the SAO compliance review to regularly test and maintain the key controls to ensure there are adequate tax accounting processes and procedures in the UK.

Furthermore, Christie's trains and supports all tax personnel in the group tax function as well as in the wider business to ensure that they have the relevant skills and technical expertise to effectively and accurately fulfil their tax responsibilities and perform to the best of their abilities.

Attitude to tax planning

Christie's has a conservative appetite to tax risks in relation to UK taxation, and is not prepared to accept risks that will expose it to reputational harm. Christie's uses reputable professional advisors for advice in areas of complexity and uncertainty.

Christie's ensures that tax planning is socially responsible, aligned with genuine business activities and subject to robust review both internally and externally.

Christie's will, where it is responsible and appropriate to do so, take reasonable steps to reduce its tax liabilities as part of its financial responsibilities to shareholders. This means that Christie's will claim available allowances, deductions, reliefs, incentives, exemptions and credits where it is permissible by law to do so.

Working with HMRC

Christie's is committed to developing and maintaining a strong working relationship with HMRC. Christie's is also committed to transparency and discusses its UK tax affairs with HMRC on a real-time basis.

In practice, Christie's holds discussions with HMRC over past, current and future tax events, as appropriate. As mentioned above, Christie's seeks external advice from reputable professional advisors, and engages in dialogue with HMRC where there is uncertainty over the interpretation of tax law, to ensure the correct and appropriate tax treatment is determined.

Compliance Statement

The publication of this strategy statement is regarded as satisfying the statutory obligation under Para 16(2), Schedule 19, Finance Act 2016.