

# Greencore

Tax Strategy

For the Year Ending 29 September 2023



# 1. Introduction

The purpose of this document ('Tax Strategy') is to set out Greencore Group plc's policy and approach to taxation. Greencore Group plc ('Greencore' or the 'Group') first published a Board approved Tax Strategy in respect of the financial year ending 29 September 2017, with an updated Tax Strategy published annually thereafter. This Tax Strategy reflects further updates to the Group's tax policy and was approved and endorsed by the Board of Greencore Group plc on 21 September 2023.

# 2. Greencore Group plc

Greencore is an Irish headquartered group, listed on the UK stock exchange. Greencore is a leading manufacturer of convenience foods, employing c14,000 colleagues across Ireland and the UK. The Group operates 23 world class manufacturing units across 16 locations in the UK.

# 3. Group Tax Policy

Greencore operates a **responsible approach** to the management of taxes in the jurisdictions in which it operates. Paying and collecting the right amount of taxes at the right time is an important part of the Group's role as a business and contribution to society and the tax strategy supports the Group's overall business strategy in that regard.

Greencore considers tax governance and tax compliance to be important elements of its oversight and risk management systems, whilst recognising the need to **protect shareholder value** through making appropriately risk assessed decisions in all areas of taxation.

# 4. UK Context

The **Finance Act 2016** introduced legislation which requires groups of a certain size to publish their tax strategy, or those parts relevant to UK taxation. This part of the Group Strategy is considered to meet the statutory obligation under Para 16(2), Schedule 19, Finance Act 2016 for Greencore Beechwood Ltd and all UK subsidiaries and covers all UK taxes and duties.

The published tax strategy must cover the following areas (all in relation to UK taxation only):

- Approach to risk management and governance arrangements
- Attitude to tax planning
- Level of tax risk tolerated
- Approach to dealing with Her Majesty's Revenue and Customs ('HMRC')

## **Approach to risk management and governance arrangements**

The Group's tax affairs, including UK tax affairs, are subject to the same risk management and governance arrangements as other financial areas of the business. The Senior Group Tax Manager is responsible for the day-to-day management of tax and reports through the Group Financial

Controller and the Chief Financial Officer ('CFO'), to the Board of Directors, which has adopted the tax strategy. The Greencore Board has ultimate responsibility for governance arrangements.

#### **Approach to risk management and governance arrangements (continued)**

The Senior Group Tax Manager, Group Financial Controller and the CFO determine the Group tax strategy and approach to planning and identifies and manages the global tax risks of the Group.

This is done by:

- regular communication with finance staff within the UK and Irish business to keep informed of any significant business changes;
- regular communication with Group treasury and legal departments about intra-group financing and shareholdings;
- involvement in all business acquisitions and disposals, including review of financial and tax due diligence reports into acquisition targets;
- monitoring proposed and enacted changes in tax legislation across all relevant locations to identify the potential impact for the Group; and
- liaising with tax authorities.

The Greencore Finance Internal Controls Manager reviews tax compliance processes as part of its rolling agenda of internal reviews, with formal meetings to identify newly arising tax risks, to the extent that such risks have not been identified through the regular and routine interaction of the tax function with the wider business teams. Where tax compliance periodically falls in scope of the Group's Internal Audit plan, the Internal Audit team would also perform internal audits and reviews of the Group's tax compliance processes to ensure effective.

#### **Attitude to tax planning**

The Group undertakes tax planning in terms of ensuring optimisation of available tax reliefs and exemptions where possible. Tax planning is only undertaken where it supports the commercial and economic goals of the business, with constant regard to the Group's reputation and standing in the UK and other jurisdictions. The seven principles set out below underpin the Group's tax policy and code of conduct in all jurisdictions:

- i. The Group will only engage in reasonable tax planning, driven by commercial and economic activity that does not lead to an abusive result;
- ii. The Group will utilise available tax incentives and exemptions where appropriate;
- iii. The Group will interpret relevant tax laws in a reasonable way, consistent with the relationship of cooperative compliance with tax authorities in the jurisdictions where the Group has operations;
- iv. The Group will follow the terms of the relevant Double Tax Treaties between jurisdictions in which they operate, along with relevant Organisation for Economic Co-operation and Development ('OECD') guidelines when dealing with issues such as transfer pricing and tax residency. The Group will engage constructively in international dialogue on the review of global tax rules;
- v. The Group will be open and transparent with all relevant tax authorities and will provide necessary information to allow those authorities to perform risk reviews and tax audits;
- vi. The Group will work collaboratively with all relevant tax authorities to achieve early agreement on disputed issues and certainty on a real-time basis where possible; and
- vii. The Group is working to increase transparency in tax reporting, including providing input into the Group's sustainability reporting and wider ESG agenda.

The in-house team is supported by external professional tax advisors in all areas of taxation and in all jurisdictions.

**Level of tax risk tolerated**

There are no pre-prescribed levels of tolerable risk. Given the size of the Group, risks will naturally arise from time to time, the Group therefore cannot remove tax risk completely but aims to manage it to an appropriate level. The risks are evaluated as they arise and the advice of external advisors and tax authorities including HMRC is sought where uncertainty remains.

**Approach to dealing with Her Majesty's Revenue and Customs ('HMRC')**

The Group engages with tax authorities and has a close, collaborative relationship with HMRC through the Customer Compliance Manager programme. The Group will seek to achieve early agreement on disputed issues and certainty on a real time basis where possible, providing necessary information to allow HMRC to perform risk reviews and tax audits. This is achieved through pro-active and transparent discussions with HMRC.

Where there is uncertainty around the interpretation of tax law, the Group will engage with external tax advisors or the HMRC, where appropriate.