Tax strategy

As a dynamic, growing and multinational business, Bakkavor is subject to a wide range of taxes in numerous jurisdictions. The complexity and ever-changing nature of tax is such that there is a risk that liabilities may be miscalculated or understated. To minimise any risk that a tax liability is materially misstated, the Group has an "in house" tax department of highly qualified and experienced specialists who are dedicated solely to ensuring our tax obligations are correctly calculated, paid and reported to tax authorities and to our stakeholders. These specialists regularly visit the various Bakkavor sites around the world and discuss with accounting and operations staff to ensure they are aware of proposed transactions, projects and expenditure across the business. Where necessary, external tax advisers are consulted to assist in certain areas. The Group Tax Director is in regular contact with the Chief Financial Officer to ensure both are aware of any tax related issues.

As well as minimising fiscal risk, Bakkavor proactively plans to reduce the group's liability to tax to the extent permitted by legislation. For example, in partnership with our customers, Bakkavor allocates significant resources to new product development. Tax legislation encourages such innovation by granting additional tax deductions for certain qualifying activity. We would always expect to claim all the credits to which we are entitled in accordance with the relevant legislation. Tax planning is only done to minimise the tax cost of genuine commercial transactions. Bakkavor's appetite for risk in respect of UK taxation is low.

We are committed to a completely open and transparent communication with the relevant tax authorities across the Group. In the UK for example, the Bakkavor tax team meet with HMRC at least once a year. On these occasions HMRC will be updated on the latest activity within Bakkavor including acquisitions, capital expenditure projects and financing. This allows HMRC to be aware of transactions on a timely basis rather than waiting until tax returns are filed after the event. There is a full and open discussion about the tax implications of these and other events.

This strategy is approved by the Board of Bakkavor Group plc. It is published in accordance with Finance Act 2016 Schedule 19 Paragraph 16(2) and applies to the Bakkavor Group UK companies for the year ended December 2025.

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