



Premium Food Group UK – 2024 TAX STRATEGY

This paper sets out the tax strategy of Premium Food Group UK companies (hereinafter “PFG UK”). PFG UK subsidiaries are part of the Premium Food Group headquartered in Rheda-Wiedenbrück, Germany (hereinafter “PFG”).

In compliance with paragraphs 19(2) and 22(2) of Schedule 19 of the Finance Act 2016, PFG UK is publishing its tax strategy for the year ending 31 December 2024 for all qualifying UK entities. We confirm that this strategy applies to the following UK sub-groups:

- CPC Food Ltd. and its UK subsidiaries
- Tönnies Fleisch UK Ltd.

Our business has a strong focus on corporate responsibility, and we see responsible administration and payment of taxation as a responsibility of our business.

Our tax strategy is driven by our culture and our values, being:

- Reliability – The PFG handshake mentality is known to customers, employees and partners and is a strong sign of trust. This is why we always stick to our agreements. We operate in an environment where we consider tax in the context of our reputation and brand.
- Fairness - As a family company, we think in generations. For us, it is not short-term profits that are important but rather medium- and long-term, financially successful development based on fairness towards customers, employees and partners. Transparent, traceable and honest conduct thus characterises our actions with regards to tax.
- Respect – is our benchmark and aspiration. We aim to meet all legal requirements and to make all appropriate tax returns and tax payments. We seek to utilise available tax reliefs and incentives where available in a manner which is consistent with the government’s policy objectives.
- Openness – Comply with appropriate tax risk processes, and ensure there is Board oversight into this compliance. We engage openly and constructively with the UK tax authorities on matters relating to our tax affairs, especially where there are complex tax treatments. Where necessary we will seek formal or informal clearance from HMRC on uncertain tax positions insofar as they relate to our tax affairs.

PFG UK risk management and governance arrangements

We want our tax affairs to be transparent and compliant with tax legislation, and recognise that managing tax compliance is increasingly complex. Our internal structure is set up to ensure:

- The Board of directors understand the importance of tax compliance, and how it is achieved.
- There is a constant dialogue between the Board and those individuals tasked with the operation of our finance function, regarding the way our business manages its tax risk.

- The business portrays a positive view towards tax compliance and the importance of meeting our obligations.

We keep under review how we meet our tax obligations, by seeking external tax advice, investing in tax training for our staff and also how we manage our relationship with tax authorities.

Day to day tax business is delegated to the local UK management. Thus, all tax matters are under the responsibility of the local management of PFG UK, except for any issues with potential cross-border implications, which are coordinated and reconciled with the tax department of Premium Food Group.

PFG UK takes a zero-tolerance approach to the facilitation of tax evasion in any form by its employees, agents, or associates of any kind. PFG considers that it has reasonable prevention procedures in place for the purposes of Part 3 of the Criminal Finances Act 2017, with our policy in this area clearly communicated to all appropriate stakeholder.

PFG UK attitude regarding tax planning

We undertake tax planning as part of our overall business strategy. Professional advice is sought on a transactional basis, with the depth of such advice being driven by our assessment of the risk presented by each opportunity. We do not undertake aggressive tax planning, the sole purpose for which would be obtaining a tax advantage. We have a responsibility to minimise our tax risk and our exposure to negative publicity through non-compliance.

PFG UK attitude towards risk

The level of UK tax risk we accept is consistent with our overall tax strategy. There are no pre-defined limits as to the amount for acceptable tax risk; it is judged on an issue by issue basis. Where the applicable laws and regulations are subject to interpretation, we seek appropriate assurance regarding the position taken; through the use of professional advisors and where appropriate direct from HMRC.

We are committed to compliance with all statutory obligations and full disclosure to the HMRC. Tax compliance for us means paying the right amount of tax at the right time in the right jurisdiction. We do not utilise low tax jurisdictions which are inconsistent with commercial business activities. We pay due regard to transfer pricing guidelines to ensure intercompany arrangements result in appropriate remuneration.

Description of the relationship with HM Revenue & Customs (HMRC)

Our communication with HMRC is focussed around timely tax compliance, for example meeting relevant filing and payment deadlines for taxes the company pays.

We employ the services of professional tax advisers to act as our agents, and in a number of cases they liaise with HMRC on our behalf. This is seen by the Board as a way to ensure we get the most out of our relationship with HMRC, thus reducing our tax risk.

PFG UK attempts to be transparent in its tax operations and will openly address any significant changes with regard to tax matters to HMRC.

This tax strategy was approved by the Board of Premium Food Group on 31 December 2024 and has been published on 31 December 2024.