**Tax Strategy – UK Group of Companies**

**Scope**

In compliance with section 161, paragraph 19(2) of Schedule 19 Finance Act 2016, the UK Group of Companies (“UK Group”), whose ultimate parent company is GraceKennedy Limited, are publishing their tax strategy for the year ending December 31, 2023 and onwards.

The GraceKennedy Group’s (“The Group”) ‘Code of Ethics and Guidelines for Business Conduct’ dictates that the Group must comply with the laws in the jurisdictions in which it operates. Consequently, the UK Group is committed to the compliance with the relevant laws in the UK and aims to promote strong governance around the tax function and strategy.

**Objectives**

The strategic tax objectives are noted below:

* Ensure compliance with applicable tax laws, rules, regulations and reporting requirements relevant to the jurisdictions in which it operates.
* Keep abreast of tax laws, their interpretation, and their application, to ensure that business decisions are taken with a complete understanding of the tax perspective.
* Ensure identifiable and foreseeable risks, inherent in our business strategy and operations are actively identified, analysed, mitigated, monitored and reported on. Tax compliance is essential to safeguarding the reputation of the UK Group and is closely assessed by the risk function.
* Establish robust systems and processes, including maintenance of adequate internal controls that will facilitate the accurate calculation of tax liabilities, and payments within respective due dates.
* Foster a transparent and open relationship with HMRC.

**Tax Governance, Structure and Organisation**

Tax strategy and the tax risk management process are integral parts of the governance framework established by the Board of Directors at the GraceKennedy Group level. The Group Audit Committee evaluates the effectiveness of the Group’s risk management processes and activities. There is a robust compliance culture that is at the heart of the Group’s operations.

All significant tax matters are reported to the Group Audit Committee through the Group tax function and to the UK Board of Directors through the UK Chief Financial Officer. The Group tax function reports into the Group Chief Financial Officer, and the UK Chief Financial Officer reports to the Managing Director of the UK Group.

The Group tax function and other finance personnel keep abreast of tax developments locally and internationally through regular attendance at professional seminars and research. The Group seeks the advice of external consultants for complex tax matters or where clarity is required on any tax matter.

The UK Group liaises with the Group tax function to ensure tax matters are considered from a group perspective and consults on complex tax matters as required. There is open and regular communication with the Group tax function. The UK Group also engages professional external advisers for general tax compliance matters and for the interpretation and application of complex tax matters.

**Relationship with HMRC**

The UK Group has a good working relationship with HMRC. Embedded in the Group’s core values are the tenets of Honesty, Integrity and Trust which permeates our discourse with the tax authorities.

We aim to:

* Maintain open and respectful communication with HMRC;
* Respond promptly and effectively to any queries raised by HMRC;
* Fully comply with the tax rules and ensure our reporting is accurate and completed in a timely manner;
* Be pre-emptive of any material tax related matters and discuss same with HMRC in advance; and
* Voluntarily disclose any inadvertent errors identified on historic tax returns promptly and completely, with a view to rectifying within the shortest possible time.

**Environmental-Social-Governance**

GraceKennedy (GK) was founded on the ethos of We Care, which is at the heart of who we are as a company, and how we achieve success. Our We Care ethos frames our approach to Environmental, Social & Governance (ESG) and inspires our commitment to adhere to the highest ethical standards; provide a safe, diverse and respectful workplace; promote responsible products and services; be stewards of the natural environment; and enable inclusive and vibrant communities.

Adhering to the highest standards of integrity

Compliance: We are committed to complying with all applicable laws and regulations and conducting our activities in accordance with our corporate policies and in alignment with international standards.

Ethics: We are committed to upholding the highest standards of integrity underpinned by our core values - Honesty, Integrity and Trust.

Human Rights: We support and respect the protection of internationally proclaimed human rights, which includes the Universal Declaration of Human Rights and the core standards set out by the International Labour Organization.

Responsible Procurement: We are committed to working with our suppliers and third parties who work on our behalf, to ensure that ESG risks and opportunities are considered.

Providing a safe, diverse and respectful workplace

Health, Safety & Wellbeing: We are committed to providing a work environment that inspires our team to grow and perform in a safe, healthy and flexible way.

Labour: We are committed to promoting freedom of association, eliminating workplace harassment and violence, and providing competitive compensation. We oppose the use of child labour, forced or compulsory labour, human trafficking and all forms of modern slavery.

Equity, Diversity & Inclusion: We are committed to ensuring we treat people with fairness and dignity, and reject all forms of discrimination based on race, colour, gender, sexual orientation, age, religion, ethnicity, national or social origin, property, political, disability, birth or any other basis.

Promoting responsible products and services

Innovation: We are committed to investing in new products and services that provide healthier, more sustainable options for our customers.

Customer Experience: We are committed to creating best-in-class experiences and putting our customers first.

Marketing: We are committed to the responsible marketing of our products and services, respecting different cultures, demographics and geographies.

Being Environmental Stewards

Resource Management: We are committed to optimizing the use of resources and minimizing waste by promoting circular economy principles in our operations, products and services.

Climate Change: We are committed to reducing our greenhouse gas impact, promoting the use of cleaner energy, and addressing climate risks and opportunities in alignment with the Taskforce on Climate-related Financial Disclosure (TCFD) recommendations.

Biodiversity: We are committed to ensuring ecosystem health and biodiversity is protected across our entire value chain.

Enabling Inclusive and Vibrant Communities

Community Investment: We are committed to supporting causes that create positive environmental and social contributions in the communities where we live and work in accordance with our Corporate Social Responsibility (CSR) Policy.

Socio-Economic Impact: We are committed to driving economic prosperity through the direct and indirect benefits of our activities, including job creation, supplier payments, responsible taxes, and shareholder returns.

Stakeholder Relations: We are committed to proactively engaging and advocating on issues of public interest relevant to our stakeholders to help build trust and mutual understanding