



Valeo Foods Group tax strategy

1. Purpose & Scope

This document sets out the tax objectives, approach to taxation, tax principles and approach to reviewing this UK tax strategy for the Valeo Foods UK subgroup (see list of relevant businesses in section 6) for the year ended 31 March 2023. A review of this document is undertaken and published annually in line with paragraph 16(2) Schedule 19 Finance Act 2016.

Valeo Foods Group (“Valeo”) is a fast growing consumer foods producer and distributor, with a portfolio of category leading brands, many of them iconic household names. The Group also produces consumer food products under private label contracts with retailers. Since the Group’s formation in 2010 , Valeo has successfully completed more than 20 acquisitions across Ireland, the UK and Continental Europe as well as two corporate disposals. The Group’s portfolio of market leading products and brands includes Jacob's, Rowse, Balconi, Fox’s Glacier Mints, and Barratt, the histories of some of which stretch back over a century and a half. Valeo is headquartered in Ireland and exercises strong central oversight while empowering local divisional management teams to execute business strategy.

As a large organisation, Valeo has responsibilities with respect to taxation in multiple communities and jurisdictions in which it operates. Valeo contributes a significant amount of tax to local and national governments, including corporate tax on profits, taxes on property, customs duties, withholding taxes and social taxes on employment. In addition, Valeo collects taxes on behalf of revenue authorities, including payroll taxes on salaries paid to employees and sales taxes charged to customers. Total tax payments across all tax heads represent an important contribution to the countries, economies and local communities in which Valeo operates and helps governments provide investment in public services and infrastructure. Valeo pays its fair share of tax in these communities in line with local rules.

2. Tax objectives

Valeo is dedicated to compliance with its legal and regulatory tax obligations. The Group manages its tax affairs and risks in a balanced and appropriate manner in order to deliver its business strategy and to create long-term sustainable shareholder value. This ensures the tax strategy is aligned with the commercial operations and adds sustainable long-term value to the business.

As such, the impact of tax on a transaction or the impact of new tax laws will be considered, and business transactions will be arranged in a manner which is economically sustainable for the business. When structuring a commercial transaction, Valeo takes a holistic approach, considering all factors including tax.

3. Our approach to taxation

Valeo is committed to:



- Paying taxes and filing tax returns on time in all jurisdictions where tax payments and returns are due in accordance with applicable tax laws, rules, regulations, disclosure and/or payment requirements.
- Aligning and maintaining continuous interaction with the Group's commercial operations; we do not use tax structures without commercial substance.
- Using standard and legitimate tax exemptions and reliefs which are available in legislation and within the spirit of the law.
- Maintaining awareness of new developments in the external tax environment so that Valeo continues to be compliant with new legislation and regulations in all jurisdictions.

4. Tax principles

4.1. Risk management and governance

4.1.1. Tax risk management framework

As a multinational group with operations in a Europe and North America, Valeo is often subject to uncertainties stemming from governmental actions in respect of taxes paid and payable in all jurisdictions of operation. In addition, tax legislation is not always clear and can be open to interpretation.

The Group's tax policies are published internally and made available to all relevant employees

4.1.2. Tax governance framework

Valeo employs experienced and qualified tax and finance professionals to manage its tax affairs and risks. This in-house tax team is based in the Group Head Office in Ireland and supplemented by the various local UK finance teams, under the overall supervision of the Group Head of Tax. In addition, external advisors are engaged, where required, to supplement the capacity of the Group's in-house expertise.

Where appropriate, Valeo engages with a variety of stakeholders on a range of industry issues relating to tax. Our input helps improve the commercial understanding of the relevant stakeholders and our engagement assists the Group tax team better manage our compliance with the relevant tax obligations.

The Group has an appointed a Senior Accounting Officer who reviews and certifies whether the UK businesses have appropriate tax accounting arrangements in place. In the event an issue is identified, Valeo informs HMRC and outlines measures to be taken to rectify.

4.2. Compliance

Valeo is committed to ensuring compliance with all laws and relevant regulations in the countries in which we operate and endeavours to submit all tax returns, reports and documents to tax authorities on a timely basis.

The Group tax team maintains oversight of compliance activities across Valeo and must be informed of any local tax audits.



4.3. Transfer pricing

Valeo endeavours to apply arm's length principles in the pricing of all intra-group (i) transactions of goods and services and (ii) financial transactions in accordance with the Organisation for Economic Co-operation and Development ("OECD") guidelines and local laws. This ensures that the Group's global profits are taxed where economic activities are performed and where value is created.

4.4. Our relationship with tax authorities

Valeo seeks a constructive and cooperative working relationship with tax authorities in the various jurisdictions in which it operates. The Group is committed to making full and accurate disclosures in tax returns and in correspondence with tax authorities, seeking to deal with all issues in a timely and collaborative manner. Where differences of opinion on technical issues arise, Valeo's primary objective is to resolve such issues with HMRC proactively through open fact-based dialogue and with reference to relevant legislation, case law and published guidance.

5. Approach to reviewing this strategy

The overall Tax Strategy for Group is approved by the Group Chief Financial Officer reviewed on an annual basis to ensure continued compliance with law and alignment with commercial operations. Any updates will be reflected in reviews of this tax strategy as appropriate.