

Kettle Foods Ltd and its associated UK Entities – Tax Policy

This document sets out the tax strategy of Kettle Foods, Ltd and its associated UK entities* (“the UK group”) in fulfilling the responsibilities of Schedule 19 Finance Act 2016 for the financial year ended 31 December 2017. This tax strategy applies to all UK taxes applicable to the UK group.

Policy on Taxation and Planning

As part of our business activities, the UK group contributes to a number of taxes and duties, including, but not limited to, corporation tax, employment tax, stamp duties, VAT. We believe the taxes we pay are a vital part of the economic and social development in the communities in which we operate. Recognizing that we operate across a number of communities, our responsibility is to pay the right amount of tax. We are committed to complying with the spirit and intent of the tax laws in a responsible manner. We do not engage in contrived or artificial transactions to obtain a UK tax advantage. We believe and support the initiatives of the Organisation for Economic Co-operation and Development (“OECD”) and adhere to the general principles set out in the Base Erosion and Profit Shifting (“BEPS”) project.

We also appreciate the responsibility we have to be fiscally efficient and operate competitively within the marketplace. Therefore, we may engage in commercial planning to structure our operations in a way which utilises available reliefs and incentives in the manner intended by the UK government. In certain situations, we may rely on third party tax experts to assist us with the analysis and compliance with any tax laws in the actions we pursue.

Governance Arrangements and Management of Tax Risk

The Board of Directors discuss tax matters with the Vice President of Tax of the broader worldwide group and the Managing Director. The UK finance team reports directly to the Managing Director and participates in discussions as well. These discussions provide the Board of Directors with comfort that the UK group operates in a manner consistent with this tax strategy, guided by third party tax advice where relevant.

We have internal policies, processes, training, and annual compliance programs to ensure our employees are aware of their responsibility to help us meet our legal obligations. Our Code of Conduct sets high standards of ethical business conduct and provides guidance to employees on our expectations of them as well as avenues for reporting concerns. These safeguards are based upon the principles of reasonable care.

We have a low tolerance for tax risk and in addition to these internal measures, we will also consult with third party tax experts to supplement our understanding of tax laws and practices to ensure we are managing tax risk appropriately and are compliant with the relevant laws, both in fact and in spirit.

Relationship with HMRC

Over many years we have built and will continue to sustain a collaborative relationship with HMRC who are tasked with the application of the UK tax laws and collection of taxes. We believe that an open and transparent relationship is fundamental to the successful administration of any taxing system. Our aim is to avoid unnecessary and inefficient disputes with HMRC. In certain cases, we may discuss in advance with HMRC a particular proposed transaction, especially where there is a complex point of law in question.

Transparency

As previously stated, we support the OECD's BEPS initiative and the global desire for transparency in tax matters. We strongly support the principle of greater transparency as a means to restore integrity within tax systems and ensure all taxpayers are paying the right amount of tax in the jurisdictions in which they operate.

This strategy will be reviewed annually and updated as appropriate by the owners of this document, the Board of Directors.

* This includes the following UK entities: DFKA Limited; DFKA Intermediate Limited; DFKA UK Holdings Limited; Metcalfe's Skinny Limited; Kettle Growers Group Limited; and Cornpoppers Limited.