

# Lactalis McLelland Limited UK Group Tax Strategy

## **Introduction**

This document sets out the tax strategy of Lactalis McLelland Limited and all its UK subsidiaries ('Lactalis McLelland'). Lactalis McLelland is part of the Lactalis Group, an international dairy company, headquartered in France with a number of international brands. Lactalis McLelland is a wholly owned subsidiary of the Lactalis Group.

Lactalis McLelland manufactures and distributes dairy products across the UK and Ireland and is best known for its brands namely Seriously, President, Rachel's and Galbani.

## **UK Tax Strategy**

Lactalis McLelland is committed to full compliance with all statutory obligations and full disclosures to the tax authorities.

Lactalis McLelland is subject to a variety of UK taxes including corporate, employment, property and other direct and indirect taxes.

This document fulfils the UK legislative requirement of Finance Act 2016 Schedule 19, paragraph 19(2) and is in relation to the accounting period ended 31 December 2017.

## **Tax risks management and governance arrangements**

Lactalis McLelland believes a responsible approach to UK tax is necessary and the responsibility for delivering our tax strategy lies with the Board of Directors.

Our approach is to manage tax risks inherent in every commercial transaction in the same way as any other cost, therefore taking into account the need for tax efficiency while respecting applicable laws and practice.

In this respect the Board considers it is entirely proper that Lactalis McLelland conducts an appropriate level of responsible tax planning in managing its tax affairs, being consistent with its obligations to protect the assets of the company for the benefit of our shareholders.

Where uncertainty over tax interpretation arises, the Lactalis McLelland Board will seek advice and guidance with external advisors as necessary to minimise any risks.

## **Approach to tax planning**

Lactalis McLelland's approach to tax planning is to the extent that it supports its commercial activities and its operations while seeking to ensure compliance with regulations. The company seeks to benefit from any relevant tax reliefs in accordance with the UK tax law and applies OECD guidelines and UK legislations when considering the pricing of intercompany transactions. Lactalis McLelland will not engage in artificial tax arrangements where the purpose is solely for tax advantage.

## **Approach to dealing with the HMRC**

We have an open, transparent, honest and positive working relationship with HMRC. We are committed to prompt disclosure and transparency in all tax matters with HMRC. We recognise that there will be areas of differing legal interpretations between ourselves and tax authorities and where this occurs we will engage in proactive discussion to bring matters to as rapid a conclusion as possible.

List of Lactalis McLelland companies:

Lactalis McLelland Limited

Caledonian Cheese Limited

McLelland Cheese Packing Limited

Fresh Milk Limited

Lubborn Cheese Limited

Issued Date: December 2018 – relating to Financial Year ending 31 December 2017.