



McCain Foods (G.B.) Limited

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UK TAX STRATEGY

This tax strategy is published in accordance with Paragraph 16(2), and satisfies Paragraph 16, of Schedule 19 of the Finance Act 2016. The strategy has been reviewed and approved by the Board of Directors within McCain UK and applies from the date of its publication until it is superseded.

Overview

The McCain Group (referred to herein as "McCain") is the world's largest producer of frozen French fries and potato specialties and is a participant in the global frozen foods industry. McCain also produces other frozen food products including appetizers, pizza, desserts and vegetables, and owns several transportation companies. McCain's products are sold in more than 160 countries to quick service restaurants, food service distributors and grocery retail outlets. McCain is a private, family-owned group of companies, which began operations in Florenceville, New Brunswick, Canada in 1957. McCain has international operations, primarily in Canada, the United States, United Kingdom, Continental Europe, Australia, New Zealand, South Africa, South America, India, China and the Asia Pacific region, with global annual sales in excess of CAD\$10 billion. McCain has a global team of 22,000 people and operates 49 production facilities on six continents.

McCain has operated in the United Kingdom through its UK subsidiaries (hereafter referred to as "McCain UK" or "the UK Group") since 1969. McCain UK is a manufacturer and distributor of frozen potato and appetiser products. It distributes chips, roasted potatoes, jacket potatoes, potato wedges, and others, and has factories in the UK (Scarborough, Whittlesey, Wombourne, Grantham and Hull).

McCain UK's activities incur a significant amount and variety of UK taxes including Corporate Tax, Customs Duty, Employer and other taxes. Additionally, McCain UK collects and pays employee taxes and VAT. The taxes paid and collected by McCain UK form a significant part of our economic contribution to the UK economy.

Governance and Risk Management

McCain is committed to full compliance with all relevant U.K. tax laws, rules, regulations and disclosure requirements.

McCain seeks to uphold its high standards of business conduct and ethics as reflected in McCain's Code of Conduct. Governance, tax risk management and policies, rests with the UK Group's Board of Directors and is safeguarded by a robust internal control system to ensure that processes are in place for all activities which may have a material impact on our tax affairs.

Tax risks are identified, monitored and assessed on an ongoing basis, utilising the skills and experience of the UK Group's team of internal and external tax specialists as well as its internal control process, all of which provide the Board of Directors and the UK Group's Senior Accounting Officer with a comprehensive framework for tax risk.

Tax planning and level of risk

McCain's approach to tax planning that we undertake supports the commercial needs of the business together with achieving adherence to applicable tax law and regulations in the UK and in other relevant jurisdictions. Our business has a strong focus on responsibility, both corporate and social, administration and governance, and the obligation to pay the correct amount of taxes due under the laws of the respective jurisdictions in which it operates.

As a Canadian multinational operating in the UK and other jurisdictions, McCain has little desire for reputational, legal, regulatory or taxation risk.

In the event there is any risk or doubt that a transaction could be contrary to tax law or to the intentions of Parliament, or could in any way be perceived that way, McCain UK will utilize expert tax advice, and where appropriate, enter into a dialogue with Her Majesty's Revenue & Customs ("HMRC").

Working with HMRC

At McCain we practice a professional, transparent and collaborative relationship with tax authorities including HMRC. McCain UK is committed to co-operate with HMRC at all times, to be open and transparent in relation to decision-making, governance and tax planning, and to deal with concerns in a timely and collaborative manner. Where differences of opinion occur on the application of tax law, McCain UK will seek to resolve these with HMRC through open dialogue and with reference to the relevant legislation and case law.