

Lakeland Dairies Group Tax Strategy

Introduction

Lakeland Dairies is a dairy processing cooperative owned by over 3,200 farm families who produce two billion litres of high-quality farmgate milk each year. Using this milk, Lakeland Dairies creates 240 safe sustainable and nutritious dairy products which are enjoyed in more than 100 global markets.

Our Purpose is to deliver sustainable prosperity for our dairy farm families.

This will be achieved by meeting the needs of our customers through the commitment of our people and the quality of our products.

Sustainability is at the heart of everything we do. From our 3,200 farm families to our global customers, we are committed to responsible dairy production that protects the environment, supports communities, and ensures a sustainable future.

This strategy is applicable to the entire Lakeland Group and to all taxes.

Lakeland Dairies Tax Risk Management and Governance

Lakeland dairies is a market leading, international business and we recognise that our tax strategy is to ensure that our transactions are conducted with integrity and in accordance with all relevant local and international legislation within the country that we operate in, and the countries that we trade with.

Lakeland Dairies complies with all relevant laws, rules and regulations, reporting requirements, disclosures, and settles all tax liabilities as and when they are legally due.

The Group is committed to applying strong internal business controls, processes, systems and people to ensure all key tax risks are identified.

There is a Group Chief Financial Officer who has overall responsibility of the Group's tax affairs. The Group Chief Financial Officer is supported by the Group Head of Financial Services & Treasury and the various finance teams who assist in monitoring, managing and where appropriate escalating tax risks.

The Group seeks external expert advice from a big accounting 4 firm on relevant changes to tax laws and regulations and on uncertain tax matters. The Group's annual tax returns are also completed by external professional tax advisors and reviewed by the Group Chief Financial Officer prior to submission.

The Group has a clear reporting structure to the Audit Sub Committee who reviews the Group's tax affairs along with the Group's management team and external advisors. The Audit Sub Committee meets regularly throughout the financial year and has tax expertise within its members.

Lakeland dairies Attitude to Tax Planning

The Group undertakes tax planning to support its commercial activity. It will claim available reliefs and incentives under the guidance of external professional advisors, Revenue and HMRC.

The Group will seek external professional advice on relevant changes to tax law that affect the Group together with any internal business or structure change to the Group where a tax risk is identified.

Lakeland Dairies Tax risks

The Group has a low-risk appetite in relation to tax matters, assessing tax risk and making tax decisions.

Lakeland Dairies relationship with Revenue and HMRC

Lakeland Dairies engages with Revenue and HMRC in an open and constructive manner. We apply a proactive approach to communicate with Revenue and HMRC when uncertain/material tax matters arise, this is to ensure we are applying tax laws and regulations correctly and minimise the Group's tax risk.

Lakeland Dairies considers that this Tax Strategy is compliant with its duty under section 161 and Schedule 19 of Finance Act 2016 to publish its tax strategy in the current financial year.