

Greggs plc

Board policy on corporate tax compliance

The Board acknowledges its responsibility to ensure that the Company meets its obligations in respect of taxation and acts with integrity, in line with its values, in its dealings with the tax authorities.

The company carries out its business entirely in the UK and all taxes are paid there. Greggs plc is the only active company in the Group.

Our approach, as a responsible company, is to:

- act with integrity and transparency in all tax matters;
- pay the appropriate amount of taxation, in accordance with relevant legislation, whilst not taking an aggressive stance in interpreting such legislation;
- have reasonable certainty as to the tax implications of our activities when making commercial decisions;
- seek external advice and / or HMRC clearance in a proactive manner in situations where the tax guidance is unclear or the company does not feel it has the necessary expert knowledge;
- ensure that we act in the interests of our stakeholders by claiming due allowances and paying no more tax than is rightly due;
- operate appropriate tax risk governance processes, including Board oversight;
- seek to maintain low risk status with HMRC.

The main elements of our tax risk management process are:

- a simple corporate structure;
- experienced staff responsible for tax matters;
- regular training and updates provided for non-tax staff whose actions impact upon tax processes;
- regular internal audit review;
- seeking proactive clearance from HMRC when appropriate;
- involvement of third party adviser in submission of corporate tax returns;
- review process for sign off of senior accounting officer submission;
- Board level authorisation of tax returns;
- Regular reporting to Audit Committee of tax status.

In dealing with HMRC we aim to:

- be open, fair and honest on matters of tax compliance;
- file required information in a timely manner;
- comply with regulatory requirements;
- where disputes occur, to address them openly and promptly;
- foster a relationship of mutual trust and cooperation.

This policy was approved by the Board of Greggs plc on 5 December 2017.