

Volac International Limited Tax Strategy Policy

Volac's strategic vision

Volac believes that dairy nutrition, delivered through dairy products and improved livestock productivity, is critical to health and wellbeing in a world of ever-increasing demand on resources. We express this belief in our corporate Purpose, *Unlocking Ruminant Potential*, which we aim to fulfil by:

- Growing through innovation based on insight and knowledge;
- Making best use of high quality assets;
- Extending our reach through strong customer partnerships;
- Investing in great people; and
- Being recognised for our commitment to Corporate Social Responsibility: sourcing materials responsibly, promoting the development of a sustainable dairy industry, minimising our environmental impact and contributing to the safety and wellbeing of our people and the communities in which we are present.

Principal activity and review of the business

Volac's principal business activity is the development, manufacture and supply of performance products around the world within the Animal Nutrition sector, to improve the productivity of livestock, the profitability of farmers & boost forage conservation.

This tax strategy applies to all UK entities, as detailed below, that are members of the group headed by Volac International Limited.

All references to 'Volac UK' or 'the UK group' are references to these same UK entities. Volac UK regards this publication as complying with its requirements arising from Schedule 19 of Finance Act 2016.

Volac UK is committed to full compliance with tax law and practice in the UK, paying the right amount of tax, disclosing all relevant facts and circumstances to the tax authorities and claiming reliefs and incentives where available.

Volac UK takes a responsible attitude to arranging its tax affairs. This tax strategy applies from the date of publication until it is superseded. References to 'UK taxation' are to the taxes and duties set out in paragraph 15(1) of Schedule 19 of Finance Act 2016 which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax and Stamp Duty Land Tax. References to 'tax', 'taxes', or 'taxation' are to UK taxation.

For further information contact

Volac International Ltd., 50 Fishers Lane, Orwell, Royston, Hertfordshire, SG8 5QX, UK.
Tel: +44(0)1223 206807; sales@volac.com; www.volac.com

Governance in relation to UK Taxation:

Ultimate responsibility for Volac UK's tax strategy and compliance rests with the Chief Finance Officer ("CFO") of each Volac UK entity;

- Executive management of the UK group's tax strategy is delegated by the Board to the CFO of each relevant legal entity;
- Day-to day tax management of the UK group's tax affairs are delegated to the UK Finance Team which is staffed with appropriate and qualified and experienced individuals;
- The UK Finance Team is supported by outsourced provider in terms of corporation tax reporting.

Risk Management

Volac UK operates a system of tax risk assessment and controls as a component of the overall internal control framework. Tax risk is managed as part of the Risk Register which is regularly reviewed by the CFO as well as being reviewed by the Volac International Limited Board.

As part of the tax governance framework, approval is required from the CFO of the relevant legal entity for any significant or exceptional transactions to ensure they are consistent with our values, tax strategy and wider corporate social responsibility obligations.

Volac UK seeks to reduce the level of tax risk arising from its operations as far as is practicable by ensuring that reasonable care is applied in relation to all processes which could affect compliance with its tax obligations.

Processes relating to different taxes are allocated to appropriate process owners who document and monitor processes and controls to ensure they remain effective. Processes and controls are also monitored for business and legislative changes which may impact them and changes are made when required.

Where there is uncertainty or complexity in relation to a risk, external advice may be sought in order to clarify the most appropriate tax treatment.

Attitude towards tax planning and level of risk

Volac UK has a low risk appetite in respect of UK tax matters.

Our profits are taxed where the economic activity takes place and the UK group operates under arms-length transfer pricing policy. When entering into commercial transactions, the UK group utilises available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation.

The UK group does not undertake tax planning unrelated to such commercial transactions. Any structuring that is undertaken will have commercial and economic substance and will have full regard to the potential impact on our reputation and broader goals.

At all times, Volac UK seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen.

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Relationship with HMRC

Volac UK seeks to have a transparent and constructive relationship with HMRC through regular communication in respect of developments in Volac UK's business current, future and retrospective tax risks and interpretation of the law in relation to all relevant taxes.

Volac UK ensures that HMRC is kept aware of relevant transactions and changes in the business and seeks to discuss any tax issues arising at an early stage.

Where there are significant transactions where the tax effect is open to interpretation, HMRC are consulted and tax clearance sought to ensure the tax treatment is agreed in advance of the transaction.

This tax strategy is aligned with our published Code of Conduct and is approved and owned by the CFO.

List of entities covered by this tax strategy:

Volac International Limited and its UK subsidiaries including the following trading companies:

- Micron Bio-Systems Limited;
- Volac Wilmar Feeds Ingredients Limited; and
- Volac Wilmar Feeds Ingredients Holdings Limited.

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