

Tax Strategy and Approach (Chr. Hansen (UK) Ltd.)

Introduction

This document sets the tax policy of Chr. Hansen (UK) Limited in the United Kingdom as required by paragraphs 19 and 22 of the Schedule 19 to the Finance Act 2016. The policy covers our approach to managing tax matters in the UK in the context of Chr. Hansen being a global group of companies.

The overall aim of Chr. Hansen (UK) Ltd. (“Chr. Hansen” or “Company”) tax strategy and approach is to pursue a competitive tax level while complying with local tax regulation and international transfer pricing principles. We aim at having a simple and transparent tax setup which reflects our business strategy.

The following document lays out the company’s strategy and approach for the United Kingdom.

Statements

Approach to UK tax risk management and governance

Chr. Hansen maintains internal policies and procedures to support its tax control framework and provides training to its personnel to manage tax risk.

The Group Chief Financial Officer is ultimately responsible for Chr. Hansen’s overall tax risks, while the management of tax risks is performed by the Group’s director of taxes, and the Company’s Finance Manager is responsible for the day-to-day management of the UK tax risks.

Attitude towards UK tax planning

Chr. Hansen only engages in tax planning that is aligned with the commercial business activities of the company and that is in compliance with UK tax rules, OECD guidelines and arm’s length principles.

In the event that there is any risk or doubt that the arrangement structure of the activity could be contrary to tax law or in any way perceived in that way, then the business will utilize expert tax advice and, where appropriate, enter into transparent dialogue with HMRC.

Level of risk that CHR Hansen is willing to accept in relation to UK taxation

Chr. Hansen’s tax arrangements are based on its commercial business and economic activities. Chr. Hansen monitors and reviews its operations in the UK and elsewhere to realign its tax arrangements when necessary to be compliant with the tax rules and regulations, including transfer pricing guidelines.

Chr. Hansen aligns its transfer pricing policy with the OECD guidelines as well as the guidelines of the various jurisdictions in which Chr. Hansen operates. Chr. Hansen applies the arm's length standard to ensure the parties to intercompany transactions are appropriately remunerated.

Consistent with Chr. Hansen's tax policy, it regularly seeks professional opinions and advice from independent external advisors on tax matters.

Relationship with Her Majesty's Revenue & Customs (HMRC)

All dealings with the tax authorities will be conducted in a collaborative, courteous, and timely manner. In the event disagreements arise, Chr. Hansen will work with the tax authorities to resolve any disputed matters through constructive and open discussions and negotiations.

Scope

This tax policy applies to Chr. Hansen (UK) Limited.
