

# Pret A Manger – UK Tax Strategy

## Introduction

From our humble beginnings as a single sandwich shop, Pret has always had ambitions to contribute positively in this changing world and to engage honestly with our customers. The scale of the Coronavirus pandemic throughout FY 2020 and FY 2021, had a significant impact on Pret's business and the wider retail and hospitality sector. Whilst there were no national lockdowns during FY 2022, Pret continued to recover from what has been a challenging trade period – together with a cost of living crisis in the UK, national train strikes and environmental factors. Despite these challenges, Pret has continued to grow as a business and adapt to new ways of delivering fresh and delicious food and drinks to its customers in a safe and economic manner.

Supporting the transparency that is now legally required is something that aligns with our endeavour to do the right thing. This document is published in accordance with Paragraph 16(2), Schedule 19 of Finance Act 2016, for the publication of a tax strategy in the financial year ended 31 December 2022.

## Our approach to tax

Pret's objective is to be a responsible tax-payer and operate both within the letter and spirit of the legislation, in line with our core value of "Doing the Right Thing".

Pret's tax strategy is approved by the Board of Directors. This is reviewed annually to ensure its implementation remains suitable, effective and aligned with our core company values, together with the specific HMRC requirements towards risk management and governance, our attitude to tax planning, the level of tax risks that we are willing to accept and our approach to dealing with HMRC.

## Our approach to risk management and governance in relation to tax

The ultimate responsibility for Pret's tax strategy remains with the Board of Directors of the group.

Pret is an international group, complying with tax laws and paying taxes in the countries in which we operate.

Pret's Senior Accounting Officer ensures that the group complies with the requirements to maintain and continually improve the tax accounting arrangements and tax risk identification process. The responsibility of the day to day tax affairs are managed by individuals within the Tax and Finance Departments. This is supported by regular communication with suitably qualified external advisers and through discussion at the Audit Committee.

## Our Attitude towards tax planning

Throughout FY 2022 Pret has continued to be committed to paying the right amount of tax.

Pret does not take an aggressive stance in its interpretation of tax legislation and does not use 'tax havens' to reduce the group's corporation tax liability nor does it use marketed or aggressive tax

avoidance schemes. Pret is committed to significant investment in new shops and, where possible, will utilise the framework of business reliefs that are available, such as capital allowances.

External tax advice is sought where there is uncertainty over the interpretation of new or existing legislation, or where there are technical areas which are sufficiently complex enough to warrant external third-party guidance.

### **The level of tax risk that Pret is willing to accept**

Pret has a low threshold for tax risk in accordance with the stated objective to be a responsible taxpayer.

Pret seeks to reduce the level of tax risks as much as is reasonably practicable. Where there is uncertainty as to the application and interpretation of the law, Pret seeks external advice to assist with the analysis and support the decision-making process.

### **Our approach towards dealing with HM Revenue & Customs (“HMRC”)**

Pret meets to discuss significant transactions and changes in the business with HMRC, and is open and collaborative with our communications. We endeavour to provide all requested information and maintain an open dialogue to resolve any requests from HMRC in a timely manner and to the best of our ability. During FY 2022, Pret has communicated regularly with HMRC, to ensure that they are fully transparent and that HMRC are kept up to date with any business changes and control of tax processes, as the business has continued to respond as the UK market re-emerges from the Coronavirus Pandemic.