

## Information on the execution of the Tax Strategy in 2020

Plukon Sieradz Sp. z o.o. (the 'Company'), in fulfilment of its obligations under Article 27c of the Corporate Income Tax Act of 15 February 1992 (Journal of Laws 2021, item 1800), has adopted a written version of tax strategy. The document was adopted by a resolution of the Company's Board of Directors and employees involved in processes related to tax settlements have constant access to the document.

According to the implemented tax strategy, the Company applies a number of processes and procedures for managing the performance of its obligations under tax law and ensuring their proper execution, including in particular those related to:

- a. the preparation of tax returns, including rules on the control of the correctness of their submission to the relevant tax authorities and the timely payment of tax receivables;
- b. the issuance of sales invoices, including a description of methods for appropriate verification of contractors;
- c. the execution of the purchases, making payments and processing purchase documents;
- d. resolving any tax uncertainties, including in particular the question of whether it is allowed to recognise tax costs and to deduct input VAT;
- e. the settlement of personal income tax, including the correct preparation of tax returns and timely payment of the tax;
- f. the fulfilment of obligations regarding transfer pricing regulations, including the preparation of relevant documentation and submission of required declarations;
- g. the implementation of obligations relating to the counteracting the failure to convey information on tax schemes (Mandatory Disclosure Rule);
- h. reporting identified breaches in relation to tax and legal matters and proceeding in case of confirmed breaches;
- i. the implementation of withholding tax obligations, including in particular verifying whether the conditions allowing the application of a reduced rate or the exemption from withholding tax are fulfilled;
- j. performance of the inventory of the warehouse and validation of its results;
- k. archiving of documents, including especially documents relevant from the perspective of tax settlements;
- l. the constant monitoring of tax law amendments and implementation of new statutory obligations;
- m. participation in tax proceedings, including rules on cooperation with a tax authority in the event of a tax investigation or tax audit.

The processes and procedures applied by the Company consider the specifics of the Company's operation and ensure reliable and timely fulfilment of tax obligations, as well as minimising the risk of the occurrence of incorrect tax settlements. As part of the indicated processes and procedures, the Company has additionally defined the scope of responsibility of individual employees for the proper performance of duties related to tax settlements.

In 2020, the Company did not use voluntary forms of cooperation with the National Tax Administration authorities.

In 2020, the Company performed the following transactions with related parties (including entities that are not tax residents of the Republic of Poland) which value exceeded 5% of the total balance sheet assets, determined on the basis of the last approved financial statements of the Company:

1. Plukon Mouscron SA (TIN: BE0459381409):
  - sale of products - PLN 25,887,254.02
2. Plukon Agri Polska Sp. z o.o. (TIN: 8272316187):
  - purchase of products and services - PLN 363,346,598.7
  - sale of services - PLN 636,451.26

In 2020, the Company had no tax settlements in territories or countries with harmful tax competition.

In 2020, the Company submitted one request for an individual interpretation of tax law regarding corporate income tax on the application of debt financing restrictions and one request for the tax rate information for the product.

In 2020, the Company did not submit requests for a general tax interpretation or binding excise information.

In 2020, the Company reported to the Head of the National Revenue Administration one information on tax schemes within the meaning of Article 86a § 1 point 10 of the Tax Ordinance Act of 29 August 1997 (Journal of Laws 2021, item 1540). The said scheme was to provide financing to benefit from a simplification regarding transfer pricing regulations under Article 11g of the Corporate Income Tax Act, however the Company requested to withdraw the submitted application due to failure to meet the requirements of the aforementioned provision. The proceeding was dismissed and the tax scheme number was not assigned.

The Company has also implemented a procedure for the implementation of obligations relating to the counteracting the failure to convey information on tax schemes (MDR), which is executed, inter alia, by conducting periodic internal verification of events occurring in the Company that could potentially result in the obligation to submit information on tax schemes.

In 2020, the Company did not undertake or planned any restructuring activities that could affect its tax liabilities or the tax liabilities of its affiliates.