

## **MONDI POZNAŃ SP. Z O.O.**

### **Report on the implemented tax strategy for the 2022 tax year**

**Date of publication: 12 December 2023**

#### **I. Legal Basis**

The information contained within this report is in accordance with the provisions of Article 27c of the Polish Corporate Income Tax Act ("CIT Act") and fulfils the requirement to publish the implemented tax strategy of Mondi Poznań sp. z o.o. ("Mondi Poznań" or "the Company") for the 2022 tax year.

#### **II. Business background**

The Company is part of Mondi Group, a global leader in packaging and paper, contributing to a better world with innovative solutions that are sustainable by design.

Mondi Poznań is a plastic films converting plant which is equipped with state-of-the-art production lines providing the capability for solvent-based and solvent-free lamination as well as printing up to ten colours in rotogravure technology. In addition, the production facility offers the possibility to apply cold seal and unique codes, and to score films with laser device in order to allow easy opening of the packaging. The Company is active on European markets, supplying a wide range of flexible packaging for various applications in different structures from mono films for confectionery and detergents to alu-based high-barrier laminates for food and pet food.

The Company located in Dopiewo (near Poznań), Poland employed 377 people as at 31 December 2022. Sales revenues in 2022 were in excess of PLN 591 million.

In line with Mondi Group's philosophy, Mondi Poznań is heavily oriented to sustainability. Emphasis is on environment, safety and effective interaction with local authorities, NGOs, and the local community. The Company works with customers, research institutes and other strategic partners to develop innovative, sustainable solutions.

In its business activities, Mondi Poznań must comply with the Group's Business Integrity Policy which sets out how the Mondi Code of Business Ethics should be applied. This includes a duty to comply with all applicable laws and regulations. The policy includes 'the facilitation of tax evasion' as a key corruption risk and states that the Group does not tolerate any form of tax evasion.

### **III. Information on the executed processes and procedures for managing the Company's tax obligations and their proper fulfilment**

The Company aims to manage its tax affairs in accordance with national legislative provisions and within the guidelines set down by the Organisation for Economic Cooperation and Development (OECD). Mondi Poznań has implemented appropriate processes to ensure correct calculation of its tax obligations as well as to collect and process relevant tax information. The appropriate division of responsibilities, controls and verification checks have been built into these processes. The end to end processes are properly documented and tax relevant documents appropriately archived.

As part of its tax strategy, the Company seeks to reduce issues that may be queried by the Polish tax authorities. The Company conducts regular reviews of specific areas for focus with the assistance of external advisers and seeks professional advice for unusual, complex or one-off transactions. Mondi Poznań also secures its tax position by applying for individual tax rulings when required.

Mondi Poznań has an in-house accounting team, supported by a centralised Group tax department, who takes day-to-day responsibility for the management of local tax affairs. The Company's tax matters are dealt with by the in-house accounting team with appropriate knowledge and competencies, who regularly participate in training aimed at improving tax knowledge and to ensure that they remain up to date with changes in tax legislation, disclosure requirements and best practices.

The day-to-day co-ordination of the in-house accounting team is undertaken by the Chief Accountant reporting directly to the Finance Director.

Arm's length principles are applied in the pricing of all intra-group transactions in accordance with national law and the OECD guidelines.

The Company does not undertake transactions that are not related to its business activities or that are aimed at tax avoidance or evasion.

### **IV. Information regarding the fulfilment of tax obligations in the Republic of Poland**

The Company actively ensures that its approach to its tax obligations is in line with the core values of the Company and the Group as a whole, as well as its overall business strategy. Mondi Poznań makes every effort to be a responsible taxpayer and remitter of taxes and to be open and transparent in its dealings with the tax authorities.

In 2022, Mondi Poznań was a payer/remitter of the following taxes: Corporate Income Tax, Value Added Tax, Personal Income Tax, Real Estate Tax and Withholding Tax.

The Company submits all tax returns and information required by law in a timely manner and pays the resulting tax liabilities promptly as and when they fall due.

**V. Information regarding reporting made under the Polish Mandatory Disclosure Rules (MDR)**

In 2022, the Company filed to the Head of the National Tax Administration:

- 1 information on a tax scheme (MDR-1 form) – the scheme related to Corporate Income Tax and covered car leasing agreements,
- 10 reports on the application of a tax scheme by a beneficiary (MDR-3 form) – all tax schemes related to Corporate Income Tax and covered a dividend distribution to its shareholder, car leasing agreements, and the transfer of certain production functions from Germany to Poland.

**VI. Information on the voluntary forms of co-operation with the National Tax Administration used by the Company**

Mondi Poznań did not join the co-operation program described in Article 20s of the Polish Tax Ordinance Act.

The Company responds appropriately and in a timely manner to all requests, queries, or enquiries from the tax authorities.

In 2022, the Company did not apply for any of the following:

- an individual tax ruling,
- general interpretation of tax law,
- binding VAT rate ruling (to confirm the correct VAT rate to be applied to a particular product or service),
- binding excise code ruling (to confirm the correct code for excise goods).

**VII. Information on transactions with related entities within the meaning of Article 11a paragraph 1 point 4 of the CIT Act, the value of which exceeds 5% of the balance sheet total of assets within the meaning of the accounting regulations, determined on the basis of the last approved financial statement of the Company, including entities that are not tax residents of the Republic of Poland**

- cash pooling,
- F/X hedging,
- currency exchange,
- loan,
- purchase of materials,
- purchase of services,
- purchase of insurance services,
- sales of products.

**VIII. Information on restructuring activities planned or undertaken by the taxpayer that may affect the amount of tax liabilities of the taxpayer or related entities within the meaning of Article 11a paragraph 1 point 4 of the CIT Act**

Mondi Poznań did not undertake or plan any restructuring activities in 2022.

**IX. Information on making tax settlements of the taxpayer in territories or countries applying harmful tax competition indicated in the implementing acts issued on the basis of Article 11j paragraph 2 of the CIT Act and pursuant to Article 23v paragraph 2 of the Act of 26 July 1991 on the Personal Income Tax and in the announcement of the minister competent for public finance issued pursuant to Article 86a § 10 of the Polish Tax Ordinance Act**

In 2022, Mondi Poznań did not make any tax settlements with entities based in territories or countries using harmful tax competition, nor did it make any tax settlements in these territories or countries.