

Information on the tax strategy of Worol Sp. z o.o. for tax year 2023

Introduction

This document represents information on the tax strategy (hereinafter: **'Information'**) implemented by Worol Spółka z ograniczoną odpowiedzialnością, having its registered office in Lasocice, ul. Szkolna 3, 64-100 Leszno, entered in the Register of Businesses under KRS number 0000444128, tax ID (NIP) 6972307189, statistical no. (REGON) 30229863200000 (hereinafter: **'Worol'**, **'Company'**). The Company's core business is the production of oils and other liquid fats (10.41.Z).

The Company is obliged to prepare and publish the Information on the basis of Article 27c of the Corporate Income Tax Act of 15 February 1992 (hereinafter: **'CIT Act'**) due to the fulfilment of the conditions referred to in Article 27b(2)(2) of the CIT Act. This information has been prepared and published in accordance with the content of the abovementioned law and taking into account the Guidelines on the Internal Tax Supervision Framework (version 2.0 of June 2020) issued by the National Tax Administration insofar as the content of the Guidelines makes it possible to identify and describe the mechanisms in place at the Company to ensure proper implementation of the tax function.

This information concerns the tax year from 1 January 2023 to 31 December 2023 (hereinafter: **'tax year 2023'**).

1. Processes, procedures and voluntary forms of cooperation with the tax authorities

1.1. Information on the Company's processes and procedures for managing and ensuring proper fulfilment of its tax law obligations

The Company treats tax issues as a matter of corporate responsibility and pays taxes in the amount and at the time required by law as a rightful return of part of its profits to the community in which it operates and whose resources it uses.

In tax year 2023, the Company implemented all necessary processes and applied appropriate procedures for managing the fulfilment of its tax law obligations and ensuring proper fulfilment.

During the period covered by this Information, the following procedures (processes) were in place at the Company:

Tax strategy

The Company has its own tax strategy, which includes guidelines for tax settlements, in particular the assignment of tasks, roles, powers, duties and responsibilities in tax matters among the Company's authorities, management and employees.

Accounting policy

The Company also has an accounting policy that describes matters such as general accounting principles and methods.

The processes applied by the Company are verified against the currently applicable tax laws. Employees who perform activities that affect the Company's tax settlements are kept up-to-date on changes in processes, regulations and rules of conduct by e-mail.

The Company has also implemented procedures that influence the management of obligations arising from tax law and ensure their proper fulfilment. Among the matters covered by the Company's procedures are: single audit file (SAF), VAT, CIT, PIT, real property tax, prevention of crimes and offences (including fiscal offences), whistleblower protection (requirements arising from Directive (EU) 2019/1937 of the European Parliament and of the Council on the protection of persons who report breaches of Union law), invoice circulation and document archiving.

1.2. Information on voluntary forms of cooperation with the National Tax Administration authorities

In tax year 2023 and as at the date of publication of this Information, the Company was not a party to a cooperation agreement referred to in Article 20s of the Tax Code Act of 29 August 1997 (hereinafter: 'Tax Code').

As part of its ongoing engagement with tax authorities, the Company aims to ensure transparency and punctuality. The form of cooperation with the National Tax Administration authorities applied by the Company is not standardised or formalised. Ongoing engagement with the authorities is maintained through all available communication paths, i.e. via the electronic tax office service (e-Urząd Skarbowy), the electronic delivery service (e-Doręczenia), the Electronic Public Administration Services Platform (e-PUAP), e-mail and letters sent by post. In day-to-day matters, contact with the authorities is made by telephone. All issues are addressed without undue delay. Communications, including responses to letters or summonses from the authorities, occur within the statutory deadlines or those specified in the letters concerned. Challenging and complex cases are discussed with external tax advisers.

2. Information on the taxpayer's fulfilment of tax obligations on the territory of the Republic of Poland, including information on the number of statements on the tax schemes referred to in Article 86a § 1(10) of the Tax Code provided to the Head of the National Tax Administration, broken down by the taxes concerned

2.1. Introduction

The Company places particular emphasis on the reliability, accuracy, transparency, and punctuality of its tax settlements. It regards the fulfilment of public and legal obligations,

including the payment of dues to the State Treasury, as a duty arising from conducting business within the Republic of Poland – specifically, as a rightful return of part of its profit to the society in which it operates and from which it draws resources.

The Company does not employ aggressive tax optimisation strategies in any area of taxation. Its overarching principles of tax compliance are to maximise legal conformity and minimise the risk of disputes with the tax authorities.

The Company's accounting method is clear and straightforward. Most revenue is generated from product sales, while the bulk of deductible expenses arises from operating activities, such as the consumption of materials and energy.

In tax year 2023, the Company was audited by statutory auditors.

In tax year 2023, the Company was:

- a corporate income tax payer (hereinafter: 'CIT');
- a personal income tax remitter (hereinafter: 'PIT');
- a goods and services tax payer (hereinafter: 'VAT');
- a real property tax payer.

In tax year 2023, the Company only concluded transactions exempt from the obligation to prepare transfer pricing documentation under Article 11n(1)-(2) of the CIT Act. The Company did not make payments to foreign counterparties for the purposes specified in Article 21(1) and Article 22(1) of the CIT Act. The company did not withhold the withholding tax (WHT) in tax year 2023.

Presented below is information on selected taxes.

2.2. Corporate income tax

The Company is a Polish tax resident and is subject to taxation on its worldwide income, irrespective of where it is earned. The Company's annual financial statements for 2023 were subject to a mandatory audit by a statutory auditor.

According to the document published by the Ministry of Finance in the Public Information Bulletin, 'Individual data of CIT payers,' available at:

<https://www.gov.pl/web/finanse/indywidualne-dane-podatnikow-cit> (as at 1 August 2024), in the tax year during the period from 1 January to 31 December 2023, the Company did not recognise revenue or deductible revenue from capital gains. Total revenue from other sources of income amounted to PLN 333,275,931.65. The related costs of obtaining this revenue were PLN 332,779,084.77. Consequently, the Company recorded income from other sources amounting to PLN 496,846.88. The tax base was PLN 496,847. The Company applied a 19% tax rate, resulting in tax due of PLN 94,401.

The CIT-8 return for 2023 was submitted to the First Mazovian Tax Office in Warsaw.

In tax year 2023, the Company:

- did not exclude costs from deductible expenses under Article 15c of the CIT Act;
- did not deduct tax-deductible costs incurred for research and development from the tax base;
- did not conduct activity within a special economic zone based on a permit or decision on support;
- did not benefit from preferential taxation of income from qualified intellectual property rights;
- was not obliged to pay the tax referred to in Article 24b of the CIT Act;
- did not earn income from paid disposal of virtual currencies;
- did not derive income from qualified intellectual property rights;
- did not settle, pursuant to Article 18f of the CIT Act, a claim or liability that arises under Article 4(1a) of the Act of 8 March 2013 on Prevention of Excessive Delays in Commercial Transactions;
- did not earn income from a controlled foreign corporation (CFC);
- did not earn income from unrealised gains;
- made advance payments in a simplified form pursuant to Article 25(6)-(6b) of the CIT Act;
- was not required to file a CIT-ST.

2.3. Personal income tax

The company is a remitter of personal income tax.

2.4. Goods and services tax

The Company is an active payer of the goods and services tax. It files the single audit file JPK-V7M every month.

2.5. Real property tax

The Company pays the real property tax in 1 Gmina.

2.6. Issues related to tax scheme reporting (MDR)

The Company constantly monitors for tax schemes. In tax year 2023, the Company did not provide the Head of the National Tax Administration with information on tax schemes referred to in Article 86a § 1(10) of the Tax Code, as no such obligation arose.

3. Related party transactions and restructuring activities



3.1. Information on transactions with related parties within the meaning of Article 11a(1)(4) of the CIT Act whose value exceeds 5% of the total balance sheet assets within the meaning of the Accounting Act, as determined on the basis of the Company's last approved financial statements, including entities that are not tax residents of the Republic of Poland

The Company carried out transactions with related parties in tax year 2023 whose value exceeds 5% of total balance sheet assets within the meaning of the accounting regulations, as determined on the basis of the last approved financial statements.

The transactions referred to above consisted of the following:

- purchase of oil from Best Oil Sp. z o.o.
- sales of products to Orlen Południe Spółka Akcyjna and Orlen Oil Sp. z o.o.

3.2. Information on restructuring activities planned or undertaken by the taxpayer, which may affect the amount of tax liability of the taxpayer or related parties within the meaning of Article 11a(1)(4) of the CIT Act

In tax year 2023, the Company did not undertake any restructuring activities which could affect the tax liability of the taxpayer or related parties. The Company does not plan such activities in the future either.

4. Tax safeguards

4.1. Information on requests submitted by the taxpayer for a general tax interpretation referred to in Article 14a § 1 of the Tax Code

In tax year 2023, the Company did not request a general tax interpretation as referred to in Article 14a § 1 of the Tax Code.

4.2. Information on requests submitted by the taxpayer for an interpretation of tax laws referred to in Article 14b of the Tax Code

In tax year 2023, the Company did not make any requests for individual tax law interpretations.

4.3. Information on requests submitted by the taxpayer for binding rate information referred to in Article 42a of the Act of 11 March 2004 on the Goods and Services Tax (hereinafter: VAT Act)

In tax year 2023, the Company did not request binding rate information as per Article 42a of the VAT Act.

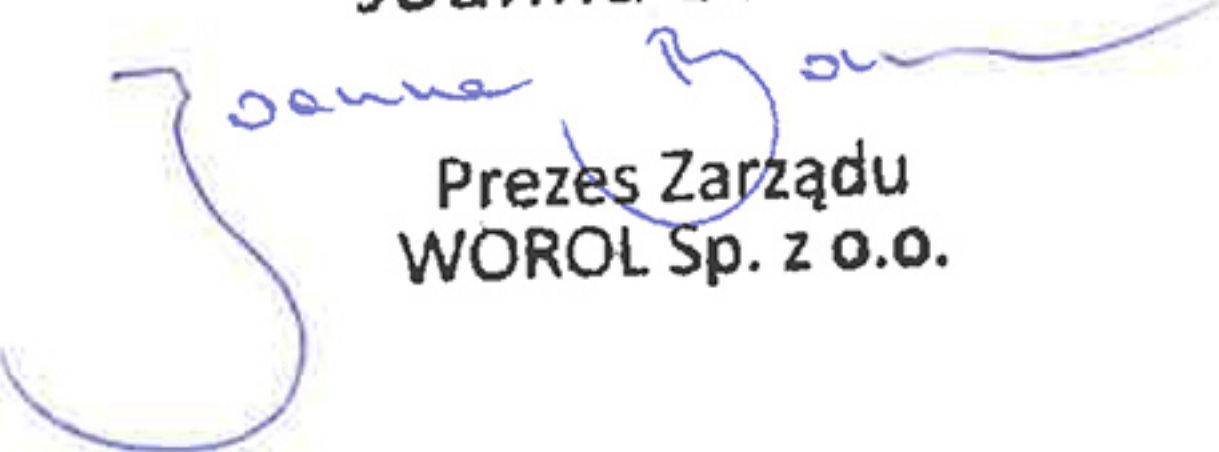
4.4 Information on requests submitted by the taxpayer for binding excise information as per Article 7d(1) of the Excise Duty Act of 6 December 2008

In tax year 2023, the Company did not request binding excise information as per Article 7d(1) of the Excise Duty Act.

5. Information on the taxpayer's tax settlements in territories or countries practising harmful tax competition (tax havens).

In tax year 2023, the Company:

- a) did not settle taxes in the territories or countries practising harmful tax competition which are identified in the abovementioned implementing legislation;
- b) did not carry out transactions with entities based in such countries (territories).

Joanna Barszcz

Prezes Zarządu
WOROL Sp. z o.o.