



Information on the tax strategy
executed by Ecolab sp. z o.o.
in tax year 1.12.2020-30.11.2021

Table of contents

- I. Introduction..... 2**
- II. General..... 2**
 - 1. Information on the Company2
 - 2. Purposes of the Company’s tax strategy2
- III. Information on the taxpayer-implemented management procedures and processes ensuring tax obligation performance and tax compliance along with information on the forms of voluntary cooperation with the National Revenue Administration..... 4**
 - 1. Information on the taxpayer-implemented management procedures and processes for tax obligation performance under tax law and for ensuring their proper performance4
 - 2. Information on the forms of voluntary cooperation with the National Revenue Administration applied by the Taxpayer5
- IV. Information on the fulfilment of tax obligations by the taxpayer in the territory of the Republic of Poland, along with information on the number of tax arrangements disclosed to the Head of the National Revenue Administration as per the type of tax to which they relate 6**
- V. Information on related-party transactions and restructuring activities taken up by the taxpayer 7**
 - 1. Information on transactions with related parties as defined by Article 11a(1)(4) of the CIT Act, with the value exceeding 5% of the balance sheet total of the assets within the meaning of the Accounting Act, determined as per the last approved financial statement of the Company, including entities not being Polish tax residents7
 - 2. Information on the taxpayer’s planned or performed restructuring activities that may impact the amount of tax liabilities due from the taxpayer or the taxpayer’s related entities under Article 11a(1)(4) of the CIT Act.....8
- VI. Information on the submitted applications..... 8**
 - 1. Applications for issuing a general tax ruling, pursuant to Article 14a(1) of the Polish Tax Code8
 - 2. Applications for issuing a tax ruling providing interpretation of tax regulations, pursuant to Article 14b of the Polish Tax Code8
 - 3. Applications for issuing Binding Rate Information, pursuant to Article 42a of the Polish VAT Act.9
 - 4. Applications for issuing Binding Excise Information, pursuant to Article 7d(1) of the Polish Excise Duty Act9
- VII. Information on the taxpayer’s tax settlements in countries applying harmful tax competition 9**

I. Introduction

This information is to fulfil by **Ecolab sp. z o.o.** (hereinafter: the “**Company**”) of the obligations under Article 27c of the Corporate Income Tax Act of February 15, 1992 (i.e. Journal of Laws of 2020, item 1406, as amended).

This information relates to the tax strategy implemented by the Company in the tax year **1.12.2020-30.11.2021**.

II. General

1. Information on the Company

The Company operates under the business name of Ecolab spółka z ograniczoną odpowiedzialnością. It is entered in the National Court Register maintained in the electronic system under the number **KRS 83152**. The Company has its registered office at **Opolska 114, 31-323 Kraków**, holds Taxpayer Identification Number (**NIP**) **6770024011** and business statistical number (**REGON**) **350577317**.

The company was established on the basis of a notarial deed dated 25 September 1992 (Rep. A No. 1777/92), for an unlimited period of time. The sole shareholder of the company is Ecolabtwo. B.V. with its registered office in the Netherlands.

The Company's core business is the sale and distribution of chemical products on the Polish market and on foreign markets (including Lithuania, Latvia and Estonia), as well as investment activities.

The Company's share capital amounts to PLN 905,700.00, of which shares with a value of PLN 153,500.00 were acquired in kind. The financial results from operations in the period 1.12.2020 - 30.11.2021 amounted to:

- Assets: PLN 80,889,067.72
- Sales revenues: PLN 264,083,672.24
- Net profit: PLN 3,749,630.28.

2. Purposes of the Company's tax strategy

The Company pursues its tax strategy to ensure its obligations under the tax law are fulfilled. The performance of public-law obligations and payment of related liabilities to the State Treasury are treated by the Company's authorities as the Company's obligation resulting from its business activity in the territory of the Republic of Poland.

The intention of the Board of Directors is not only to ensure that the tax obligations incumbent on the Company are complied with in accordance with the regulations and in a timely manner, but to adopt a proactive attitude in order to identify the scope of application of the tax regulations in view of their changes and the dynamic development of the Company's business activities.

The Company's Management Board ensure effective and adequate control of the organization from the perspective of fulfilling the obligations imposed on the Company by the provisions of the tax law, in particular:

- exercises due diligence to ensure the correctness of the Company's tax accounts by monitoring changes in the law, as well as positions taken by the tax authorities and the judicature;
- cooperates with external tax advisors, in particular consults on tax issues arising from day-to-day operations, as well as unusual or significant transactions, and obtains information on tax changes;
- demonstrating proactive approach in terms of defining values and developing organisational culture, including transparency of tax settlements;
- operates, as a rule, on the basis of organised internal procedures;
- focusing on the screening of the Company's contractors and business partners, both in terms of their economic credibility as well as their registered office and their business activities;
- employs highly qualified staff for financial and tax services and invests in enhancing staff knowledge of tax law;
- makes decisions to mitigate tax risks by minimising threats from the external and internal environment.

The Company's tax strategy is constantly adapted to changes taking place in the external and internal environment of the organization, as well as to newly identified risks arising from operating in the trade industry, in particular due to the wide range of legal and tax regulations associated with restrictions on the marketing of certain products.

III. Information on the taxpayer-implemented management procedures and processes ensuring tax obligation performance and tax compliance along with information on the forms of voluntary cooperation with the National Revenue Administration

1. Information on the taxpayer-implemented management procedures and processes for tax obligation performance under tax law and for ensuring their proper performance

a) Organization of the process of fulfilling obligations under the tax law

Organization of the process of fulfilling obligations under the tax law at the Company looks as follows:

- 1) The overall supervision of the Company's organisational structure (including units with tax obligations) is exercised by the Company's Board of Management, which acts as the executive and management body.
- 2) Ensuring the fulfilment of taxpayer and payer duties is the responsibility of the Local Finance department, which carries out day-to-day settlements, tax calculations, legal and tax qualification of individual economic events and prepares tax declarations. In addition, Local Finance is responsible for the preparation of the Company's financial statements, reporting for the Central Statistical Office (Główny Urząd Statystyczny) and the National Bank of Poland (Narodowy Bank Polski), as well as other reports that legal entities conducting business in Poland are obliged to prepare (e.g. report on payment terms in commercial transactions).

The duties belonging to the Local Finance Department are supervised by the Finance Director.

- 3) The Local Finance department also oversees the preparation of transfer pricing documentation and related tax returns.
- 4) In its tax settlements, the Company uses external support services provided by a professional tax consultancy, in particular in the area of value added tax (VAT) and personal income tax (PIT).
- 5) If any tax doubts arise, the Company attempts to resolve them internally and subsequently uses an external professional tax consultancy firm.
- 6) Finance Director is responsible for representing the Company with regard to tax obligations and liaising with the tax authorities. With regard to outsourced taxes, the right to represent the Company is vested in competent external entities on the basis of standing powers of attorney. The Chief Accountant is also the contact person with the

tax authorities on the basis of powers of attorney granted from time to time in accordance with the Company's representation rules.

- 7) Employees of the Local Finance Department are suitably qualified to carry out the Company's tax returns.
- 8) The Company stores and archives documents in the manner and within the timeframe indicated by law, which enables constant and rapid access to source data in the event of the need to verify the Company's accounts.

The Company takes all necessary measures to correctly determine public law receivables and pay them in a timely manner, i.e.:

- it pays monthly advances towards income tax,
- it pays monthly VAT,
- due to good cashflow position, the Company does not plan to request a tax deferral or tax payment in instalments.

b) Procedures applied

The Company has implemented procedures (both in writing and in the form of the so-called good practice) regulating in detail the implementation of tasks in the scope of accounting and taxes. The company has implemented formalised tax, business and practical processes in areas of its operation.

The above include, but are not limited to, settlement, control or compliance of domestic, international taxes, including tax obligations constituted or harmonised at EU level. In parallel, the Company carries out tasks supporting the tax function, including those related to settlements and agreements with counterparties and their documentation, fulfilment of group standards, consolidation rules, contact with tax authorities or the competence of internal departments. For organisational purposes, the Company standardises accounting issues, accounting policies, verification, control, inventory or document circulation.

2. Information on the forms of voluntary cooperation with the National Revenue Administration applied by the Taxpayer

So far, the Company has not entered into any cooperation with tax authorities that goes beyond the activities aimed at meeting its obligations under the tax law.

IV. Information on the fulfilment of tax obligations by the taxpayer in the territory of the Republic of Poland, along with information on the number of tax arrangements disclosed to the Head of the National Revenue Administration as per the type of tax to which they relate

1. Information on how the taxpayer fulfils their tax duties

The Company makes every effort to fulfil its tax obligations not only in accordance with the applicable legislation, but also with the business strategy adopted and the core values presented in its operations.

The Company's tax obligations are, along with salaries and wages from the employment relationship, at the top of the priorities of the payments made.

The Company takes all necessary measures to correctly and timely fulfil its obligations arising from the provisions of the tax law in the territory of the Republic of Poland, in particular:

- identifies events that give rise to tax obligations;
- calculates and pays the tax due in a timely manner to the bank account of the competent tax office;
- provides tax authorities with the relevant declarations, lists, records, reports and information that it is obliged to submit in accordance with the tax provisions based on reliable and non-defective data recorded in the tax books that fully reflect the Company's activities;
- systematically assesses the tax implications of business decisions and the tax consequences of those decisions;
- verifies contractors for VAT and withholding tax due diligence purposes;
- prepares local transfer price documentation as well as benchmarking analyses;
- monitors executed transactions from the perspective of the provisions of the Tax Code on tax schemes and assesses them in terms of potential reporting obligations.

In the year **1.12.2020-30.11.2021** the Company fulfilled its tax obligations as a payer of the following taxes:

- corporate income tax (CIT);
- value added tax (VAT);
- property tax.

In the year **1.12.2020-30.11.2021** the Company fulfilled its tax obligations as a remitter of the following taxes:

- personal income tax (PIT) - on account of employee remuneration paid;
- flat-rate corporate income tax (WHT).

2. Information on the number of information on tax schemes provided to the Head of the National Fiscal Administration

In the year 1.01.2020-31.12.2020 the Company did not provide any piece of information on tax schemes to the Head of the National Revenue Administration.

V. Information on related-party transactions and restructuring activities taken up by the taxpayer

1. Information on transactions with related parties as defined by Article 11a(1)(4) of the CIT Act, with the value exceeding 5% of the balance sheet total of the assets within the meaning of the Accounting Act, determined as per the last approved financial statement of the Company, including entities not being Polish tax residents

The Company enters into transactions with Group related parties as part of its day-to-day operations.

According to the Company's financial statements for the year **1.12.2020-30.11.2021**, the balance sheet total of the Company's assets (rounded out to full thousands) was **PLN 80,889,067.72**. **5% of this sum constituting the transaction threshold amounts to PLN 4,044,453.39**.

In the year **1.12.2020-30.11.2021** the Company concluded with related entities the following transactions, the value of which exceeds 5% of the balance sheet total:

No.	Type of transaction		Party to the transaction
1.	Service transaction	Sales	Non-resident
2.	Service transaction	Sales	Non-resident
3.	Service transaction	Sales	Non-resident
4.	Service transaction	Sales	Non-resident
5.	Financial transaction	Sales	Resident
6.	Service transaction	Sales	Resident
7.	Financial transaction	Sales	Resident
8.	Commodity transaction	Sales	Resident
9.	Service transaction	Purchase	Non-resident
10.	Service transaction	Purchase	Non-resident

11.	Service transaction	Purchase	Non-resident
12.	Service transaction	Purchase	Non-resident
13.	Service transaction	Purchase	Non-resident
14.	Commodity transaction	Purchase	Non-resident
15.	Service transaction	Purchase	Non-resident
16.	Service transaction	Purchase	Non-resident
17.	Commodity transaction	Purchase	Non-resident
18.	Financial transaction	Purchase	Resident
19.	Service transaction	Purchase	Resident
20.	Commodity transaction	Purchase	Non-resident
21.	Commodity transaction	Purchase	Non-resident
22.	Commodity transaction	Purchase	Non-resident
23.	Service transaction	Purchase	Non-resident
24.	Financial transaction	Purchase	Non-resident

2. Information on the taxpayer's planned or performed restructuring activities that may impact the amount of tax liabilities due from the taxpayer or the taxpayer's related entities under Article 11a(1)(4) of the CIT Act.

In the year 1.12.2020-30.11.2021, the Company did not plan or undertake any binding measures, restructuring that may affect the tax liability of the taxpayer or related parties.

VI. Information on the submitted applications

1. Applications for issuing a general tax ruling, pursuant to Article 14a(1) of the Polish Tax Code

In the year 1.12.2020-30.11.2021 the Company did not apply for issuing any general tax rulings.

2. Applications for issuing a tax ruling providing interpretation of tax regulations, pursuant to Article 14b of the Polish Tax Code

In the year 1.12.2020-30.11.2021 the Company did not submit any application for issuing any individual tax interpretation.

3. Applications for issuing Binding Rate Information, pursuant to Article 42a of the Polish VAT Act.

In the year **1.12.2020-30.11.2021**, the Company did not apply for binding rate information.

4. Applications for issuing Binding Excise Information, pursuant to Article 7d(1) of the Polish Excise Duty Act

In the year **1.12.2020-30.11.2021** the Company did not apply for issuing any binding excise information.

VII. Information on the taxpayer's tax settlements in countries applying harmful tax competition

In the year **1.12.2020-30.11.2021** the Company did not make any tax settlements in territories or countries applying harmful tax competition.