



Information on the implemented tax strategy of Nexeo Plastics Poland Sp. z o.o. for the fiscal year from 01.10.2020 to 30.09.2021

General information about Nexeo Plastics

Nexeo Plastics specializes in the distribution of thermoplastic raw materials. The Company's products include the main polymer groups: polyethylene, polypropylene, polystyrene, and technical polymers, such as ABS, SAN, polycarbonate, polyamide, POM, and PBT.

The plastics industry continues to be a key element in the innovation of many products and technologies in other sectors of the economy, such as automotive, construction, packaging and healthcare. Central Europe ("CEE") continues to generate growth in plastics consumption, and average per capita plastic consumption is still lower in CEE than in Western Europe. The largest market in CEE is Poland - the sixth largest plastics processing market in the Europe after countries such as Germany, Italy, France, UK and Spain.

Legal basis and purpose of the information

Information on the implemented tax strategy for the financial year ending September 30, 2021, by Nexeo Plastics Poland Sp. z o.o. (hereinafter: "the Company" or "Nexeo Plastics") has been prepared and published pursuant to Article 27c § 1 in connection with Article 27b § 2, item 2 of the Polish CIT Act.

Information on Nexeo Plastics' implemented tax strategy is reviewed and approved by the Nexeo Plastics EMEA Finance Director and by the Nexeo Plastics Director of Federal and International Tax. References to "tax", "taxes" or "taxation" are to Polish taxation and similar duties, including all corporate income taxes, indirect taxes (including VAT), and employment taxes, for which the Company has legal responsibilities.

Tax strategy guiding principles and Nexeo Plastics' attitude to tax planning

In accordance with its Global Standards of Business Conduct, Nexeo Plastics is committed to conducting its business in compliance with all applicable laws and regulations, including the local tax legislation in all the countries in which Nexeo Plastics operates – including Poland. In terms of tax compliance, Nexeo Plastics is committed to:

- acting in compliance with all applicable Polish tax-related legislation;
- completing all applicable Polish tax reporting obligations; and
- calculating the right tax amounts and reporting and paying such taxes correctly and on-time to the applicable Polish Authorities.

Taking into account these leading principles, Nexeo Plastics seeks to ensure that any tax planning undertaken by Nexeo Plastics is in full compliance with the Polish tax legislation, has real economic



substance, is not artificial and takes into account the potential impact on Nexeo Plastics' tax reputation. All transactions between Nexeo Plastics group entities are conducted based on the OECD's arm's length standard in relation to transfer pricing. Nexeo Plastics does not use any tax arrangements that could evade taxes or prevent the authorities from collecting them. We act lawfully, ethically and with integrity, and we expect our employees, customers, suppliers and any business partners to behave in the same way.

Information on Nexeo Plastics' processes and procedures for managing the execution of tax law obligations and ensuring their proper execution

The Board of Directors of the Company bears the ultimate responsibility for the Company's tax strategy and tax compliance in Poland. For the Board of Directors, the Polish tax strategy and tax compliance is one of the factors that is considered in all relevant business decisions.

The responsibility for day-to-day management of Nexeo Plastics' Polish tax affairs is delegated to the Nexeo Plastics EMEA Finance Director, who reports directly to the Nexeo Plastics Global Chief Financial Officer. In this day-to-day tax management role, the Nexeo Plastics EMEA Finance Director is supported by the Nexeo Plastics Director of Federal and International Tax. The daily Polish tax-related tasks and activities are performed by the Nexeo Plastics EMEA Finance Department and by local Polish tax and accounting advisors, in accordance with the general principles of tax compliance that are mentioned above.

The established system of processes and procedures and their control at Nexeo Plastics ensures that the actions taken comply with applicable Polish tax regulations and that tax obligations are paid timely. The accounting reporting process has been organized to ensure tax compliance. This system included tax planning, tax risk management, and various procedures governing the tax function.

Polish tax risk management and the level of risk that Nexeo Plastics is prepared to accept

In order to mitigate potential tax risks in Poland and to ensure compliance with all applicable Polish tax-related legislation, the Nexeo Plastics EMEA Finance Department has implemented and operates a system of tax-risk controls that is a part of the general internal control framework applicable to the Nexeo Plastics financial reporting system. Its main elements include the following:

- Nexeo Plastics hires tax staff with appropriate qualifications and experience;
- Nexeo Plastics seeks professional tax advisor support, if required;
- Nexeo Plastics maintains robust processes in order to ensure the correct tax reporting whereby all tax filings pass through a two-step check control (preparer vs. reviewer process); and
- Nexeo Plastics tax staff monitors all legislative changes that may impact tax reporting and the tax processes.

Taking into account the above mentioned principles, Nexeo Plastics adopts a low-risk tax strategy that is characterized by the following features:

- Nexeo Plastics carefully considers the tax implications of all relevant business decisions and transactions in order to ensure that they are carried out and reported in compliance with the Polish legislation;
- Where there is tax uncertainty or complexity, Nexeo Plastics engages professional tax advisors; and
- The Company does not undertake activities that could be considered so-called aggressive tax planning.

Information on the applied voluntary form of cooperation with the Polish tax authorities

As part of its ongoing contact with Polish Tax Authorities, the Company undertakes all necessary forms of cooperation in order to duly fulfill its obligations.

Nexeo Plastics' interaction with Polish Tax Authorities is mainly focused on an accurate and timely tax reporting, which includes an appropriate and balanced level of disclosure, with the objective to meet all the relevant tax filings and tax payment deadlines.

In general, Nexeo Plastics' relationship with Polish Tax Authorities is based on the principles of full compliance, cooperation, transparency and good faith. Nexeo Plastics endeavors to ensure that Polish Tax Authorities are informed about any tax relevant changes in the Company's business and transactions in a timely manner. Any inadvertent errors in the filings made to Polish Tax Authorities are corrected as soon as possible after they are identified.

The Company is not a party to the cooperation agreement with the Head of the National Tax Administration referred to in Article 20s § 1 of the Polish Tax Ordinance, has not benefited from a Advanced Price Agreement (APA), and has not applied for a protective opinion.

Implementation of tax obligations, including information on tax schemes

In the fiscal year 01.10.2020 – 30.09.2021, the Company carried out tax obligations in the area of the following taxes within the scope of its business activity:

- 1) **Corporate Income Tax (CIT)**
- 2) **Value Added Tax (VAT)**

In the fiscal year from 01.10.2020 – 30.09.2021, the Company acted as a tax remitter, with respect to:

- 1) **Withholding tax (WHT)**

The above settlements have been made in a timely manner and in accordance with the provisions of the applicable tax law.

The Company has not identified any cross-border or domestic tax schemes. The Company did not implement or use tax schemes developed in previous years. Accordingly, the Company did not provide information on tax schemes to the Head of the National Tax Administration referred to in Article 86a § 1 item 10 of the Polish Tax Ordinance.

Transactions with related parties

Nexo Plastics prepares local tax documentation. In the fiscal year 01.10.2019 – 30.09.2020, the Company’s total assets amounted to PLN 86 531 900,62 – the amount was determined based on the Company’s financial statement.

Consequently, for information on the implemented tax strategy, transactions with related parties, the value of which exceeds 5% of this amount, i.e. PLN 4 326 595,03, are important.

In this context, the Company carried out the following types of transactions with related parties, the values of which exceeded 5% of the balance sheet amount:

Type of transaction	Description
On the purchasing side	<ul style="list-style-type: none"> • Commodity transaction - purchase of plastics raw materials • Group support services • Intragroup loans
On the sales side	<ul style="list-style-type: none"> • Commodity transaction - sales of plastics raw materials

Information on restructuring activities undertaken or planned

During fiscal year 01.10.2020 – 30.09.2021, Nexeo Plastics did not plan or undertake restructuring activities that may affect the tax liabilities of the Company or its affiliates within the meaning of Article 11a § 1 point 1 of the Polish CIT Act.

Information on applications for tax rulings submitted to tax authorities

a) General tax ruling

During the fiscal year 01.10.2020 – 30.09.2021, the Company did not file an application for a general tax ruling, as referred to in Article 14a § 1 of the Polish Tax Ordinance.

b) Individual tax rulings

During the fiscal year 01.10.2020 – 30.09.2021, the Company applied to the Director of National Tax Information for the issuance of an individual tax ruling – as referred to in Article 14b of the Polish Tax Ordinance. These requests concerned the interpretation on the CIT law.

c) Binding tax rate information

During the fiscal year 01.10.2020 – 30.09.2021, the Company did not apply for binding rate information, as specified in Article 42a of the Polish VAT Act.

d) Excise duty tax binding information

During the fiscal year 01.10.2020 – 30.09.2021, the Company did not file an application for Excise duty tax binding information as referred to in Article 7d section 1 of the Polish Excise Tax Law.

Tax settlements in tax havens

Nexeo Plastics did not make tax settlements in territories or countries applying harmful tax competition.