



Tax Policy – Ekman Group 2023

The Ekman Group is a trading house and has over the years evolved from a single entity in a single country focusing on iron into a global trading group focusing on the forest industry, foremost within pulp, packaging, paper, recovered material and bioenergy. The Ekman Group conducts business in various countries around the world. External manufacturers produce forest products and involve the Ekman Group to assist with sales, marketing, logistics, export documentation, financing, invoicing, credit risk management etc.

This tax policy is approved by the CEO and is prepared by Group Tax. Group Tax reports to Vice President of Group Reporting and Controlling. This tax policy is in compliance with paragraph 19 and 22 of schedule 19 to the United Kingdom's Finance Act 2016. The UK entities this strategy apply to are listed in Appendix 1 below.

Within the Ekman Group we work actively to ensure compliance with tax regulations in Sweden and internationally in the countries that we operate. The Ekman Group is committed to responsible and ethically acceptable principles in all its activities. The Ekman Group does not engage in highly aggressive or artificial transactions whose sole or main purpose is to generate a tax advantage.

In situations where there is more than one way of setting up a transaction, the Ekman Group aims to choose the way that is most commercially defensible, including optimizing tax costs. However, such decisions should always be in accordance with the Ekman Group's values, brand and reputation as well as in compliance with laws and regulations.

For the Ekman Group to be able to fulfil the principles as identified above, the following measures have been taken:

- On group level Vice President of Reporting and Controlling and Group Tax are responsible for monitoring the Ekman Group's effective tax rate and taxes paid, including jurisdiction per jurisdiction, on an annual basis;
- On group level Vice President of Reporting and Controlling is responsible for reconciling the tax cost for the Ekman Group with the tax cost reported in the various jurisdictions during the year-end process, including deciding the final tax cost to be booked in the Ekman Group's year-end accounts. Any deviations between the Ekman Group tax cost and tax paid during the year should be analyzed by Group Tax.
- Value Added Tax is a local responsibility with only high-level monitoring on group level.
- Tax returns shall be filed in time and comply with relevant tax laws and regulations.
- Taxes legally due should be paid in time in each jurisdiction that we operate.
- On group level Group Tax is responsible for monitoring changes in tax legislation which applies in multiple countries and for evaluating how such developments could impact the Ekman Group.
- Group Tax is responsible for preparing transfer pricing policies to cover all main transaction types in the Group.

- Group Tax also has the responsibility to instruct and advice how and what levels of transfer prices are to be set between group companies and how they are to be documented to ensure compliance with legislation and international standards.
- On country level the local Managing Director and local finance organization are responsible for monitoring local changes to tax legislation or other developments that could have an impact on tax matters. Should such changes be discovered Group Tax should be informed immediately.

All external tax advisor engagement should be pre-approved/consulted by the Group Tax if at least one of the below criteria is met:

- The estimated value exceeds 5 000 USD;
- The engagement includes confidentiality clauses for the Ekman entity towards tax authorities or *other* external advisors related to how to achieve a tax benefit;
- The fee is success fee based;
- The engagement concerns transfer pricing

Further, in order to manage tax risk and also to be able to fulfill DAC6 reporting obligations, Group Tax should be consulted at the earliest convenience related to any new non-routine or strategic transactions, such as:

- Acquisitions, sale or restructurings of shares or businesses;
- Internal loan arrangements;
- Capital investments;
- Repayments of capital;
- Dividend distribution;
- Exceptional payroll related arrangements e.g. share based incentive programs;
- Liquidation of legal entities;
- Internal cross-border license arrangements;
- Internal transfer of businesses;
- Internal transfer of intangibles and other assets
- Relocation of sales functions or salespeople

Appendix 1

- Ekman Recycling Limited
- Ekman Holding UK Limited
- Ekman UK Limited