



*/Translation from the Lithuanian language/*

**APPROVED**

By the Resolution of the Board of AB Grigeo of  
6 April 2023

(Minutes No 23/03 of the Board Meeting of  
6 April 2023)

**TAX POLICY OF AB GRIGEO GROUP**

**1. GENERAL PROVISIONS**

- 1.1. The Tax Policy of AB Grigeo Group (the '**Policy**') sets out the objectives and basic principles of tax administration and management within AB Grigeo Group. The Policy explains the risk limits, the rules for certain transactions and the principles of communication with tax authorities.
- 1.2. The Policy applies to AB Grigeo Group, which consists of AB Grigeo (the '**Company**') and its subsidiaries, including but not limited to UAB Grigeo Packaging, UAB Grigeo Baltwood, AB Grigeo Klaipėda, UAB Grigeo Recycling, SIA Grigeo Recycling and AT Mena Pak (the '**Group**').
- 1.3. The Policy aims at describing the Group's approach to its tax liabilities and explaining this approach to stakeholders.

**2. THE GROUP'S APPROACH TO TAXES**

- 2.1. In the conduct of its business, the Group shall comply with applicable tax laws and the principles of tax regulation.
- 2.2. The Group shall comply with its tax obligations in a timely and accurate manner.
- 2.3. The Group shall make all necessary tax disclosures to tax authorities, investors and other stakeholders.
- 2.4. The Group's tax accounting shall be conducted in a diligent and professional manner and all decisions shall be made at the appropriate level and shall be documented to support all relevant decisions. All documents supporting the Group's tax calculations shall be retained for at least the minimum period required by law.
- 2.5. All intra-Group transactions shall be conducted on an arm's length basis.
- 2.6. In its risk assessments, the Group shall have a low tolerance for tax risks.
- 2.7. The Group shall seek full clarity on tax matters. The Group shall seek prior clarification from tax authorities, as required.
- 2.8. The Group shall make sure that its current staff is sufficiently professional and competent to ensure accurate and clear tax accounting and compliance with obligations. The Group shall engage qualified external tax experts, as required.
- 2.9. In any tax planning, the Group shall take into account its reputational, environmental, social and management obligations and shall only enter into transactions that are consistent with those obligations, if any would become public.
- 2.10. The Group shall seek to ensure that the taxation of any transactions reflects the commercial substance of those transactions. The Group shall not enter into sham transactions intended to avoid or reduce taxes.
- 2.11. The Group shall benefit from tax advantages, as provided for by applicable law, where this is consistent with its business objectives and where it does not give rise to any reputational risk or likelihood of disputes with tax authorities.

2.12. The Group shall not benefit from tax havens within its structure or transactions to avoid tax liabilities.

### **3. COMMUNICATING WITH TAX AUTHORITIES**

- 3.1. The Company and some of the Group companies are classified as large taxpayers. The Group is committed to transparency and strives to ensure that the information provided by the Group is useful and meaningful to the tax authorities and other stakeholders.
- 3.2. The Group shall cooperate with tax authorities, comply with their lawful instructions and communicate with them in a professional, open and transparent manner.
- 3.3. The Group shall seek to actively and positively engage with tax authorities in order to minimise the likelihood of any dispute.
- 3.4. The Group shall actively observe public consultations and constructively cooperate with national tax policy makers, either individually or through relevant industry bodies.

### **4. FINAL PROVISIONS**

- 4.1. This Policy shall be approved and amended by the Board of the Company.
  - 4.2. The responsibility for drafting the Policy shall rest with the CFO of the Company.
  - 4.3. The Policy or any amendments thereto shall be submitted to the Group companies and published on the Company's web site immediately after their approval by the Company's Board. The responsibility for the publication of the Policy and its amendments shall rest with the CFO of the Company.
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