

GLOBAL TAX POLICY

1. PURPOSE

This Policy is aimed at affirming a set of values, recognized as underlying principles of tax behaviour for the Group, and providing correlative guidelines, in order to ensure the Group's integrity and reputation over time and to guarantee a uniform approach when conducting business affairs and dealing with tax risks in all Group entities.

Neuland's Ethical Code sets the principles which all employees are expected to adhere to and which are applicable to the taxation field.

2. VALUES

Honesty & Integrity: To act with honesty and integrity in all tax matters.

Fairness: To display fairness and correctness in doing one's tax job both in dealings inside and outside the company.

Legality: To ensure compliance with all tax obligations in force in all countries where Neuland operates.

Tone at the top: To have the Tax Strategy approved by the Management which ensures it is applied world-wide.

Transparency: To ensure full transparency towards all stakeholders without compromising the confidentiality entailed in running its business and ensuring its commercial operations are competitive.

Relationship with Tax Authorities: To support a constructive and transparent dialogue with the relevant tax authorities around the world, based on mutual trust. To enhance the dialogue with the tax administration by acting with openness and fairness.

3. GUIDELINES

Based on the above-mentioned principles, all the entities belonging to Neuland Group set up their governance management applying the following guidelines:

International taxation: In cross-border intra-group transactions, we ensure the correct application of local domestic legislation, double taxation treaties and transfer pricing guidance, in order to guarantee the arm's length allocation of the profits/losses between the individual group members, aligned with business and economic substance. Our compliance is supported through a transfer pricing study by an independent external consulting firm.

Avoid aggressive tax planning: We avoid arrangements aimed to ensure a tax outcome which is not aligned with sound business ground and which leads to an abusive result. We do not use tax haven jurisdictions for tax avoidance purposes and we do not seek tax rulings related to harmful preferential tax regimes. On the contrary, we will look to benefit from available tax incentives that require an economic substance in order to be granted and when they are consistent with our business.

Tax risk management: We adopt a Tax Control Framework, fully aligned to the transfer pricing guidelines. We ensure that the tax department (of the HQ and of the subsidiaries, where applicable) has the necessary resources, both financial and human, as well as the organizational relevance to ensure compliance.

Philosophy: Within the limits of legality, we ensure that the Group's tax affairs are arranged in an efficient manner, aiming to implement tax incentives and exemptions and adopting reasonable and grounded tax choices and interpretations, even if not necessarily in accordance with the tax authority's opinion. We develop mutually respectful relationships with the tax authorities based on transparency and trust to prevent any possible litigation. In the event that a dispute arises with one or more tax authorities, we consider access to tax dispute resolution mechanisms, also on a cross-border basis. Due taxes must be paid yet payment of double taxation must be avoided.