

Borregaard's Tax Strategy

Borregaard's business activities generate a substantial amount and variety of taxes. We pay corporate income taxes, withholding taxes, import taxes, employment and other taxes. In addition, we collect and pay employee taxes and social security contributions as well as indirect taxes such as VAT.

Borregaard is committed to comply with tax laws in a responsible manner and to have open and constructive relationships with tax authorities in the countries where we operate.

Borregaard's code of conduct sets out what is expected of everyone at Borregaard, and our tax strategy aligns with that. Our commitment is based on the following main principles:

1. Tax compliance

- Making timely and accurate reporting and filings of tax returns
- Claiming relief and incentives where available
- Maintaining well-organised records of all tax documentation

2. Tax planning

- All tax risks are carefully evaluated for tax planning and tax advisory
- Any tax planning will have commercial and economic substance
- We do not engage in artificial tax arrangements
- All intercompany transactions will be in accordance with the arm's length principle

3. Tax audits

- Proactive approach to disputes with tax authorities
- Build and maintain professional and constructive relationships with tax authorities and other relevant authorities

4. Tax management

Borregaard will make sure to have a tax team with the necessary competence and qualifications, that will act professionally and keep high ethical standards, being proactive and taking responsibility for tax issues in relation to Borregaard's business.