



PRECIOUS WOODS

Precious Woods Holding Ltd
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Precious Woods Tax Policy

Precious Woods Holding AG, a Swiss public company, and its subsidiaries operate in sustainable forest management, production, transformation and trade of wood products. The company creates local added value in the regions it operates and benefits governments by paying any applicable taxes and charges.

Scope

This policy applies to the Precious Woods Holding AG and all its direct and indirect subsidiaries (hereafter “Precious Woods”).

Objective

This Tax Policy is based on Precious Woods’ Business Ethics Guidelines, that applies to all Precious Woods employees and its subsidiaries. The Business Ethics Guidelines determine their duties, their responsibilities and how decisions must be taken to achieve highest standards of integrity, transparency and reliability in Precious Woods’ operations. This Tax Policy describes Precious Woods’ principles in the management of its fiscal and tax strategy. Besides this Tax Policy, the company applies a risk management strategy, addressing topics related to tax and fiscal obligations as well.

Tax Payments

All information regarding taxes paid by Precious Woods can be found in its Annual Report that is audited and reviewed by independent auditors and publicly disclosed, attesting Precious Woods’ transparency and commitment to its obligations. Precious Woods presents its financial statements as to IFRS rules.

Principles

- Precious Woods commits to fulfil all relevant legal and regulatory obligations to which it is subject, in line with the company's strategies as defined by the board and the management. Tax planning opportunities are recognized as an improvement to Precious Woods commercial and operating activities with tax cost being only one of many factors that are taken into account during the decision-making process.
- Awareness of all relevant legal requirements and obligations is the basis of Precious Woods' legal compliance. Precious Woods observes these requirements and obligations in all jurisdictions it runs operational and/or commercial activities to fulfil all of them at any time.
- Taxes on operations are calculated based on the applicable legislations and tax laws and settled within the established terms. In case that tax credits are available, these can be used to settle debts, in accordance with the legal requirements for clearance, or in any other way that has legal provision.
- Precious Woods commits to fill and maintain all accounting records and entries and all other documentation needed for compliance with legal obligations and requirements. All records are safeguarded for the legally required periods.
- Precious Woods provides all fiscal and tax information to Tax Authorities (or similar bodies), if requested and collaborates in any inspection procedures to avoid fiscal controversies.
- All the provisions relating to the arm's length standard defined by the OECD Guidelines for Multinational Enterprises are applied in case of the purchase and/or sale of goods between Precious Woods and companies which are under its control (intercompany transactions/transfer pricing).
- Whenever Precious Woods carries out significant transactions, new projects or uncertain fiscal positions, fiscal agreements or similar guarantees are targeted with the relevant entities, to support the procedures.

Responsibility

The governance body responsible for the tax policy and its review is the Chief Financial Officer of Precious Woods Holding Ltd.

Zug, July 3th, 2024

Markus Pfannkuch
Co-CEO