

Information on tax strategy implemented for the tax year ended 31 December 2022

J&S Energy S.A.

1. Introduction

We consider that the publication of this Polish tax strategy complies with the obligations of J&S Energy S.A. (also as the "Company") under Article 27c of the Act of February 15, 1992 on Corporate Income Tax (the "Corporate Income Tax Act").

2. Company profile

J&S Energy S.A. imports, processes, stores, distributes, and markets steam coal. Additionally, the Company produces bio-fuel and bio-diesel. It also owns and operates fuel storage facilities and terminals as well as provides the services of the physical mandatory stock storage and the mandatory stock tickets services. J&S Energy S.A. was founded in 1995 and is based in Warsaw, Poland.

J&S Energy S.A. is owned by Mercuria, a world leading independent energy and commodity group.

3. Processes and procedures for the managing of compliance with tax law obligations and for the ensuring their proper performance.

In accordance with Mercuria's Code of Conduct, the activities of J&S Energy S.A. are required to be in compliance with all of the laws, rules and regulations applicable to it.

J&S Energy S.A. has an in-house finance and accounting team, supported by Mercuria's group tax team who monitor and track the Company's tax compliance obligations. The Company has a clear division of duties and system of substitutions that helps to ensure that the tax function is properly managed.

In order to ensure the correct and complete record of financial transactions, J&S Energy S.A. utilizes a dedicated accounting and inventory management systems. These financial records form the basis for the preparation and completion of the Company's tax returns. Transactions between related parties are conducted on an arm's length basis.

Internal controls are in place to ensure timely filing of tax returns and payment of tax liabilities. Tax returns are prepared in-house and reviewed by external tax advisors prior to filing; this includes further validation of changes in applicable tax laws, rules and regulations.

For areas of material complexity or uncertainty, the Company engages external tax advisors to determine and assess tax risks, and to confirm that associated tax filings and disclosures are compliant and in accordance with local requirements.

The Company conducts business activity that requires relevant licenses and permits. In particular, the Company holds licenses granted by the President of the Energy Regulatory Office (i.e. licenses for: storage and reloading of liquid fuels, domestic trade in liquid fuels and production of liquid fuels) and a permit to run a tax warehouse issued by the Polish tax authorities. Therefore, the Company is obliged to perform its business activity in line with the requirements determined by the obtained licenses, permits and specific provisions (e.g. the Energy Law Act, specific provisions governing the operation of a tax warehouse).

4. Voluntary forms of cooperation with the authorities of the National Revenue Administration

In 2022 J&S Energy S.A. was not involved in a cooperation agreement regulated under the provisions of the Tax Ordinance Act of August 29, 1997 (the "Tax Ordinance").

J&S Energy S.A. cooperates with tax authorities in the course of any proceedings, audits or verification activities. In particular, the Company provides the tax authorities with all requested information and/or documents on a timely basis.

5. Information concerning the Company's compliance with tax obligations in the territory of the Republic of Poland together with information on the number of information on tax schemes referred to in Article 86a(1)(10) of the Tax Ordinance, reported to the Head of the National Revenue Administration, with a breakdown into respective taxes which the information relates to

J&S Energy S.A. fulfilled its tax obligations in all areas required by tax law, taking into account the scope of its operations. The Company made every effort to ensure that its tax settlements were correct and its tax reporting was complete, accurate and submitted on a timely basis.

The main taxes under which the Company performed its obligations are corporate income tax, value added tax, excise tax, fuel tax (road tax), social security tax, withholding tax and personal income tax.

In 2022 J&S Energy S.A. did not submit any information on tax schemes referred to in Article 86a(1)(10) of the Tax Ordinance.

6. Information on transactions with related entities the value of which exceeds 5% of the balance sheet total of assets within the meaning of accounting regulations, determined according to the last approved financial statement of the Company

In 2022, J&S Energy S.A. was the party to the following transactions with related parties, the value of which exceeded 5% of the balance sheet total of assets within the meaning of accounting regulations, determined on the basis of its approved financial statements for 2022:

- Loan;
- Commodity purchases; and
- Commodity hedges.

7. Information on restructuring activities planned or undertaken by J&S Energy S.A. that may affect the amount of tax liabilities of J&S Energy S.A. or related entities

In 2022, J&S Energy S.A. did not undertake or planned to undertake any restructuring activities that could affect the amount of its tax liabilities or tax liabilities of related entities within the meaning of Article 11a(1)(4) of the Corporate Income Tax Act.

8. Information on applications submitted

In 2022, J&S Energy S.A. did not submit any applications for the issue of:

- a) the general tax ruling referred to in Article 14a(1) of the Tax Ordinance;
- b) individual tax ruling referred to in Article 14b of the Tax Ordinance;
- c) binding rate information referred to in Article 42a of the Value Added Tax Act;
- d) binding excise information referred to in Article 7d(1) of the Excise Duty Act.

9. Information concerning the taxpayer's tax settlements in territories or countries that apply harmful tax competition

In 2022, J&S Energy S.A. did not make any tax settlements in territories or countries that apply harmful tax competition (tax havens) listed in implementing acts issued pursuant to Article 11j(2) and pursuant

to Article 23v(2) of the Personal Income Tax Act of 26 July 1991 and in the notice issued by the minister competent for public finance pursuant to Article 86a(10) of the Tax Ordinance.

20 December 2023