

## **Ponsse Plc Tax Policy**

Ponsse aims to be a responsible corporate citizen consistent with its values. The company also wants to be a trendsetter of the forest machine industry in the promotion of open tax policies.

Ponsse's tax policy describes the company's main principles regarding taxation, which are based on its values and Code of Conduct. The tax policy is the responsibility of Ponsse's CFO and it is approved by the company's Board of Directors.

### **Main principles regarding taxation**

- Ponsse complies with valid tax laws and regulations in all countries where the company has operations.
- Ponsse complies with the OECD's Transfer Pricing Guidelines and reviews the market basis of the Group's internal pricing at regular intervals.
- Ponsse is committed to paying and remitting the respective statutory taxes and duties without delay wherever it operates and results are produced.
- Ponsse reports and releases its fiscal information in accordance with valid legislation and the transparency goals of the company's own tax policy.
- At Ponsse, the objective of tax management is predictable and effective taxation with high morals.

### **Compliance with the tax policy and openness of taxation**

The tax policy applies to all Ponsse employees whose work involves Ponsse's business operations and particularly the related taxation matters. Ponsse also requires the company's external advisers to comply with its tax policy in instances where the reporting and other tasks related to taxes have been outsourced.

Ponsse acts in in-depth co-operation with the Finnish Large Tax Payer's unit. The aim is to have open and anticipatory operation with the Tax Administration.

### **Structure of business**

Ponsse's business is always conducted in a commercial purpose, and the company has been structured in accordance with the business. The parent company's operations cover product development, sourcing, production, logistics, sales, maintenance services and Group management.

Ponsse's subsidiaries outside Finland operate as local sales companies and provide maintenance services. The Finnish subsidiary Epec designs and manufactures control systems which it sells to the parent company and external customers. All of the subsidiaries are in the direct ownership of the parent company.

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