



Tax strategy Zambon S.p.A.

Goal of the tax strategy

With the aim of pursuing both high ethical and economic standards, as well as compliance with tax legislation, the Board of Directors of Zambon S.p.A. (hereinafter Zambon or the Company) hereafter defines the Company's tax strategy, with the purpose of **ensuring consistent tax management** over time shielded from risks that could compromise shareholder and stakeholder value.

To this end, Zambon's tax strategy pursues the following goals:

- ensuring the management of tax procedures in compliance with tax law;
- ensuring the correct and timely determination and settlement of **taxes due** by law and the fulfillment of related duties;
- reducing **tax risk**, defined as the risk of incurring tax violations or abuse of the principles and purposes of the tax law framework.

Tax strategy principles

Zambon operates in accordance with the principles set forth in this section, which represent an integrated part of the tax strategy. These principles inspire corporate operations in the management of the tax factor by the Company, which, to this end, implements the appropriate processes to ensure their effective application.

Values

The tax strategy is integrated into Zambon's value system, which has based its identity since its establishment in 1906 on Integrity, Honesty, Care for People and Humility. Such values are a reference point also for tax management decisions and for the future development of the Group.

The Company, in accordance with the principle of "corporate social responsibility", shall operate in the area of tax management according to **ethical** principles based on **transparency**.

Legality

Zambon's Shareholders and Top Management believe that strict compliance with the laws and

regulations of the countries in which the Company and, more broadly, the Group operate, is an indispensable value. Accordingly, the interpretation of these laws and regulations must be geared toward responsible tax risk management, with the purpose of satisfying the interests of all stakeholders and ensuring Zambon's positive reputation.

Tone at the top

The Board of Directors approves Zambon's tax strategy, with the purpose of ensuring continuity in spreading a corporate culture characterized by the values of honesty, integrity and respect for the law.

Transparency

The Company maintains relations with the Tax Authorities of the various countries in which it operates characterized by maximum transparency and cooperation.

Taxes

Zambon considers taxes to be one of the main sources of **contribution to economic and social development** in the countries in which it operates. At the same time, the tax burden is also a cost

of doing business and, as such, must be managed in accordance with regulations, in full compliance with the principle of legality, with the aim of safeguarding the creation of value by the Company, redistributed through its business mission.

Tax strategy implementation guidelines

In order to implement the general principles outlined above, Zambon's tax strategy is embodied in the following guidelines:

Proper implementation of tax regulations

Zambon undertakes to correctly apply tax laws and to comply with the requirements, fulfillments and deadlines set forth by them. The main developments in the tax environment are promptly identified and evaluated in order to assess the impacts they may have on the Company's relevant operations in order to be compliant with the new prescriptions. In addition, the Group constantly screens proposals and regulatory amendments to tax incentives in the Countries in which it operates in order to assess their impact on economic activities.

Where tax laws are not sufficiently clear or unambiguous as to the attributable meaning thereof, the **Tax Structure** will pursue a reasonable interpretation of the regulations, inspired by the principle of legality and prudence and relying on the assistance of independent professionals if needed.

Agree to disagree

To protect the corporate interest and its Shareholders, Zambon considers legitimate to uphold - even in judicial proceedings - the reasonable interpretation of the laws, where there are interpretative disagreements with the competent Tax Authorities.

Full cooperation with Tax Authorities

Zambon guarantees transparency and collaboration in its relations with the Tax Authorities, including in the case of audits relating to both Group companies and third parties, in order to mitigate or, if possible, prevent the so-called double taxation situations, in compliance with EU law, Double Tax Treaties and applicable domestic legislation. With the aim of consolidating transparency towards the Tax Authorities and with the spirit of undertaking an innovative relationship with them, Zambon adheres to the Cooperative

Compliance regime, pursuant to Legislative Decree No. 128 of August 5, 2015, in order to implement enhanced forms of relationship with the Tax Authorities, as well as to the provisions on Transfer Pricing documentation, in accordance with the indications of the OECD Transfer Pricing Guidelines (so-called three-tiered approach, structured on Master File, Local File, Country-by-Country Report).

Aggressive Tax Planning

Zambon does not implement behaviors and operations, domestic or cross-border, that result in purely artificial constructions, which do not reflect economic reality, and from which it is reasonable to expect the achievement of undue tax advantages, insofar as they are in conflict with the purpose or spirit of the provisions or the reference tax system, thus generating double deduction, deduction/non-inclusion or double non-taxation situations, also as a consequence of asymmetries between the tax systems of the possible jurisdictions involved.

Intercompany transactions

Intercompany transactions are governed by means of specific written contracts between counterparties and

are governed, for tax purposes, on the basis of the arm's length principle, in accordance with the OECD (Model Tax Convention and Transfer Pricing Guidelines), with the aim of aligning, as properly as possible, the conditions and transfer prices with the places where the value is created within the Group. Where Group entities operate in countries that do not recognize the OECD-derived rules, transfer pricing policies will be aimed at a twofold objective:

- ensure consistency between the place where the value is created and the place of taxation; and
- avoid international double taxation situations.

Tax management

Zambon is committed to implement the internal control system of tax risk (Tax Control Framework), in line with the guidelines provided by the OECD, as implemented in Italy at the regulatory and practice level. In particular, in the tax management process, roles and responsibilities are clearly assigned, with appropriate respect for the principles of segregation of duties and decision-making process escalation. In addition,

it is ensured that the **Tax Structure** is adequately equipped with resources (human, material, financial) and organizational relevance to ensure the proper execution of the associated duties. Adequate technological solutions maximize the quality and accuracy of data that support tax management and related returns.

Zambon Group Codes of Conduct

Group has adopted a **Code of Conduct** to ensure that business decisions and behaviors are guided by the highest standards of diligence, fairness, ethicality and integrity, in order to safeguard the interests of stakeholders and ensure an efficient working method, geared to comply with current regulations and ethical principles considered appropriate to operate within the market. The Code of Conduct represents, therefore, the framework of "ethical presidium" under which Zambon operates and in the context of which the tax strategy is also embedded. Zambon's consistent, impartial and uniform application of penalties in the event of violation (or attempted violation) of the Code of Conduct is adequate to ensure the

effectiveness of the prescriptions set forth therein and must be understood to include the provisions of the tax strategy.

The tax strategy is also a piece of the Tax Control Framework, which, besides defining the procedures for the proper and prudent management of tax matters, is also one of the prevention tools with respect to the perpetration of criminal activities from which the Company may derive administrative liability, sanctioned, for the Italian legal system, by Legislative Decree No. 231 of June 8, 2001, and the related reputational risks. In this perspective, the Tax Control Framework integrates the safeguards provided by the **Organization, Management and Control Model** adopted by the Company.

Approval, Publication, Effectiveness and Updating

The tax strategy is approved by the Board of Directors of Zambon S.p.A., and becomes effective from the first day following the date of its publication on the Zambon Group's website (www.zambon.com). The interpretation thereof is referred to Zambon S.p.A.,

through the **Tax Structure**, which also handles the related updating.