

Jabil Poland Sp. z o.o.

Information on the implemented tax strategy for the FY 2020/2021 in Jabil Poland Sp. z o.o.

1 Objective and scope of information

Information on the implemented tax strategy for the fiscal year 2020/2021 is published for Jabil Poland Sp. z o.o.¹ to comply with the requirements resulting from Article 27c of Corporate Income Tax Act².

Described fiscal year of the Company began 1 September 2020 and ended 31 August 2021.

2 Tax strategy implemented at Jabil for the FY 2020/2021

Jabil tax strategy aims at ensuring correct, reliable and timely fulfillment of tax obligations resulting from the provisions of generally applicable law. The fulfilment of public-legal obligations and the necessity to pay public liabilities to the Public Treasury is treated by the authorities of the Company as an obligation of the Company arising from conducting its business on the territory of Poland. The strategy is an expression of the principles that implements the Company in the course of its activities and the ethical values that the Company has adopted. The Chief Financial Officer is responsible for creating the Company's tax strategy and supervising its implementation.

The Tax Strategy indicates the main goals of the Company in the tax area, as well as defines the measures for their implementation and the general framework of the proceedings. The Tax Strategy applies to all tax areas in which the Company acts as a taxpayer, tax remitter or tax collector.

3 Tax processes and procedures used by Jabil and voluntary forms of cooperation with National Revenue Administration

3.1 Information on the processes and procedures used by Jabil to manage and ensure the proper fulfilment of tax law obligations

3.1.1 Processes and procedures related to tax risk management in Jabil

Jabil tax strategy is reflected in the procedures implemented by the Company to fulfil its tax obligations.

Processes and procedures related to the implementation of tax obligations in the Company have a dual nature. In order to ensure that the processes are carried out correctly, most procedures are formalized. However, with respect to certain tax obligations, some of the procedures have been developed in the course of many years of practice and do not have a formalized form.

¹ Hereinafter also: the Company, Jabil

² Act of 15 February 1992 on Corporate Income Tax (Journal of Laws 2021.1800, as amended, hereinafter: "the CIT Act").

The procedures implemented in the Company are subject to regular verification and adaptation to changes in the environment and within the Company, as well as to identified new risks arising from business operations.

The process of preparation and implementation of new procedures, in particular those resulting from changes in tax regulations, is supervised by the Chief Financial Officer, who cooperates in this respect with the employees responsible for the Company's tax settlements.

Employees of the Departments of the Company are absolutely obliged to follow the guidelines and instructions of conduct addressed to them.

The key formalized processes and procedures from the perspective of Jabil operations concern:

- complying with the obligation to provide information on reportable tax arrangements (MDR);
- due diligence in domestic and international transactions realized by the Company;
- management of the tax warehouse;
- settlement of output VAT;
- issuing invoices and Credit/Debit notes;
- accounting documents workflow;
- cycle count.

In addition, some of the Company's tax obligations are performed based on the procedures developed in the course of the Company's business, which are not formalized. This applies in particular to:

- settlement of input VAT;
- settlement of withholding tax;
- administrative tax obligations related to the settlement of corporate income tax;
- administrative tax obligations related to the settlement of personal income tax;
- administrative tax obligations related to the settlement of real estate tax.

The Company operates in a special economic zone on the basis of a permit to conduct business activities in the Pomeranian Special Economic Zone. In connection with the above, with respect to its operations within the zone, the Company benefits from a tax exemption under Article 17 par. 1 pt. 34 of the CIT Act.

In order to exercise due diligence while performance of its tax obligations, the Company cooperates with professional tax advisors. The cooperation concerns in particular clarification of legal and tax doubts arising in the course of the Company's activities, including preparation of applications for individual tax binding ruling, preparation of local transfer pricing documentation, as well as support in reporting obligations related to tax arrangements (MDR).

3.2 Information on voluntary forms of cooperation with National Revenue Administration used by the Company

The Company collaborates with tax authorities in all necessary forms in order to duly fulfill the obligation resulting from tax legislation.

The Company timely shares with tax authorities tax information:

- 1) to which it is obliged under tax regulations,

2) requested by tax authorities.

4 Fulfilment of tax obligations and tax schemes submitted to the Head of National Revenue Administration

4.1 Information on the Company's tax obligations in Poland

The Company takes necessary measures to correctly and timely fulfil its obligations resulting from the provisions of the tax law in the territory of Poland, in particular:

- identifies events that result in tax obligations;
- calculates and pays on time the tax due to the account of the appropriate tax office;
- submits to the tax authorities the relevant returns, lists, statements, reports and information that it is obliged to submit under tax law,
- drafts transfer pricing local files and benchmarking analysis and comparability analysis,
- monitors concluded transactions from the perspective of the provisions of the Tax Ordinance on tax schemes and reports arrangements that constitute tax schemes to the Head of National Revenue Administration.

In the fiscal year 2020/2021, the Company realized tax obligations as a taxpayer for the following taxes:

- corporate income tax;
- value-added tax;
- real-estate tax;
- excise tax.

In the fiscal year 2020/2021, the Company performed its tax remitter duties in respect of the following taxes:

- personal income tax - from employee salaries;
- flat-rate corporate income tax (withholding tax) - on intangible services, royalties and interest.

4.2 Information on the number of information on tax schemes submitted to the Head of the National Revenue Administration

In 2020/2021 tax year, the Company submitted one information on tax schemes (MDR-1) to the Head of the National Revenue Administration. Submitted information concerned corporate income tax.

5 Information on transactions with related entities and on planned or undertaken restructuring activities

5.1 Transactions with related entities

According to financial statement of the Company for the financial year 2020/2021, total assets amounted to PLN 1,033,493.000.00.

In the financial year 2020/2021, the Company has only one transaction with related entity with a value over 5% of total assets.

No.	Nature of the transaction	Contractor		
1.	Goods transaction	Purchase of raw materials for production	Jabil Circuit Singapore PTE LTD	Non-resident
			Jabil Circuit Guangzhou Ltd	
			Jabil Circuit Hungary Contract Manufacturing Services Ltd.	
			Jabil Inc.	
			Jabil Circuit SDN BHD	
			Jabil Circuit (Shanghai) Co. Ltd.	
			Jabil Circuit Wuxi Co., Ltd	
			Jabil Circuit Hungary LP LLC	
			Jabil Industrial do Brasil LTDA	
			Jabil Vietnam Company Limited	
			Jabil Defense & Aerospace LLC	
			Jabil Circuit Ukraine Limited	
			Jabil Luxembourg Manufacturing S.a.r.l.	
			Jabil Circuit Italia S.r.l.	
Jabil Circuit India Private Limited				

5.2 Information on restructuring activities planned or undertaken by the taxpayer

In the fiscal year 2020/2021 the Company did not plan or undertake any restructuring activities in the field of:

- merger of companies;
- conversion of a company into another company;
- a contribution to a company in the form of its business or an organized part of its business (including as part of a division of the company);
- share for share exchange and
- others, not mentioned above,

which may have affected the tax liabilities of the Company or its related parties.

6 Information on submitted applications

6.1 Application for general tax ruling

In the fiscal year 2020/2021 the Company did not submit application for general tax ruling.

6.2 Application for individual tax ruling

In the fiscal year 2020/2021 the Company submitted three application for individual tax binding ruling. All applications concerned issues related to CIT.

6.3 Application for binding VAT rate information

In the fiscal year 2020/2021 the Company did not submit any application for bidding VAT rate information as referred to in Article 42a of the Act of 11 March 2004 on Value Added Tax.

6.4 Application for binding excise duty information

In the fiscal year 2020/2021 the Company did not submit any application for binding excise duty information as referred to in Article 7d par. 1 of the Act of 6 December 2008 on excise tax.

7 Information on making tax settlements in countries applying harmful tax competition

In the 2020/2021 tax year, the Company has made purchase transactions of goods from taxpayers registered in Hong Kong and Macau.

The Company emphasizes that it does not use artificial tax structures that are designed to avoid taxation, have no commercial substance and do not comply with the spirit of local or international tax law. All transactions with residents of Hong Kong and Macau are related to the actual activities of these entities and the business conducted by the Company. The purchase of goods is based on the operating model adopted by the Jabil Group and the selection of suppliers is carried out by a qualified and experienced purchasing department. Purchased goods meet quality standards consistent with Jabil Group specifications and the requirements of the Company's customers, which enables the Company to maintain the highest standards of production quality.

8 Information about applications submitted for the initiation of a mutual agreement procedure and an issuance of prior price agreement

In order to mitigate the risk of incorrect determination of transaction prices and questioning of their determination by tax authorities, in 2019 the Company applied for a advanced pricing agreement (APA) within the meaning of Article 83 of the Act of 16 October 2019 on the resolution of double taxation disputes and the conclusion of advanced pricing agreements with the Head of the National Revenue Administration concerning purchase of intangible services.