



**NatWest  
Group**

**National Westminster Bank Plc**

**operating in Poland through  
National Westminster Bank Plc  
Spółka Akcyjna Oddział w Polsce**

Information on tax strategy  
of National Westminster Bank Plc operating in Poland through  
National Westminster Bank Plc Spółka Akcyjna oddział w Polsce  
implemented in the period from 1 January 2021 to 31 December 2021  
prepared in accordance with Article 27c of the Corporate Income Tax Act

## 1. Introduction

This document provides information on the execution of the tax strategy of National Westminster Bank Plc (tax identification number (NIP): 1070038385) operating in Poland through National Westminster Bank Plc Spółka Akcyjna oddział w Polsce (the "**Branch**" or the "**Polish Branch**") at 02-135 Warsaw, 26 Iłżecka street, building E, implemented in the tax year from 1 January 2021 to 31 December 2021.

The purpose of preparing this document is to comply with the obligation arising from Article 27c of the CIT Act.

## 2. Economic Strategy of the Branch of NatWest in Poland

National Westminster Bank plc with its registered seat in the United Kingdom (EC2M 4AA London, 250 Bishopsgate; „**NatWest**" or "**the Company**") forms part of a British financial group NatWest Group plc („**Group**"), which provides banking and financial services in the UK. The Group offers a wide range of products tailored to their individual customer needs, which help customers to manage their financial risks and achieve their short- and long-term financial and business goals.

The activity of the Company conducted by the Polish Branch consists of playing the role of a global competence centre (Global Hub Europe) within the Group. The Branch's activity consists mainly in the provision of services such as:

- technical and administrative support related to the activities of the entities in the Group;
- data processing;
- IT facilities management;
- provision of accounting and bookkeeping services.

The Branch's wide range of services relates, in particular, to banking operations, finance, business process support, anti-money laundering, project management, provision of management information, business analyses, technology and information security.

NatWest implements the business strategy and goals as set within the Group. As far as the operations in Poland are concerned, the Company aims to further develop and increase the operational capabilities of the global competence centre.

### 3. The Branch’s tax strategy

The NatWest Group Tax Strategy document sets out the approach which the Group takes to its tax affairs and management of tax risk worldwide. The activities of the Branch are covered by the principles set out in this document.

One of the key directives of the Branch, in line with Group Tax Strategy, is the responsible management of its tax affairs. NatWest is committed to acting in accordance with the letter and spirit of the tax law applicable to it. In particular, the Branch ensures that it submits correctly prepared tax returns on time and pays its taxes on time and in the correct amounts. The responsible approach to tax matters is reflected in the relations between the Branch and public authorities, as well as between the Branch and its employees, customers, and suppliers. From the Company’s perspective, ensuring full compliance with tax regulations is not only a legal obligation, but is also an element of the social responsibility of the Group, including the Branch.

**The Branch's tax strategy is based on the following values and principles adopted at Group level:**



**By following NatWest's tax values the Branch ensures that its tax accounts are fair, correct, complete, and transparent.**

#### **4. Information on the processes and procedures used by the taxpayer to manage and ensure the correct discharge of its obligations under tax law in Poland**

The procedures and good tax practices are applied at each stage of performance of the Branch's tax obligations. They cover, in particular, the process of collecting and verification of source documentation (including the process of verifying new contractors), setting prices and conditions for transactions, followed by the preparation and making of tax settlements, verifying the correctness of these settlements, and making possible corrections.

At the local level, the Branch has procedures, processes and good practices in place concerning compliance with the tax obligations in Poland, which cover the following areas:

- Corporate Income Tax (CIT)
- Transfer pricing (TP)
- Withholding tax (WHT)
- Goods and services (VAT) tax
- personal income tax (this area is particularly important from the perspective of the Branch acting as an employer for employees working in Poland)
- provision of information on tax schemes (under the Polish Mandatory Disclosure Regime)
- client verification.

The application of the above procedures, processes and good practices has been entrusted to specialised personnel who ensure their correct implementation. The Company also applies at least a two-stage system for verifying the correctness of the fulfilment of tax obligations. The persons responsible for particular areas also ensure that the existing procedures, processes and good practices are kept up to date, so that they correspond as accurately as possible to the dynamic legal and tax environment in Poland.

## 5. Information concerning fulfilment of tax obligations by the taxpayer in the territory of Poland

### ➡ Corporate income tax (CIT)

NatWest, which operates in Poland through a Branch, is a corporate income taxpayer on income earned in the territory of the Republic of Poland.

NatWest benefits from research and development relief. The Branch has tax losses from previous years, which are accounted for against the income earned in the following years in accordance with the principles set out in the Corporate Income Tax Act.

The Branch has timely filed its corporate income tax return for 2021 on the CIT-8 form. The Branch has timely paid advance payments towards corporate income tax during the year.

In 2021, the corporate income tax paid by the Branch amounted to PLN 137,735.00.

### ➡ Tax on goods and services (VAT)

Natwest is an active VAT taxpayer. The Branch is also registered for EU transactions and has an active VAT-EU number.

The Branch files all the required returns, i.e. JPK\_V7M within statutory deadlines.

### ➡ Personal income tax (PIT)

NatWest employs staff at the Branch in Poland. As regards the remuneration paid to the Branch's employees, in the analysed period the Branch acted as a remitter of advance payments towards PIT (the Branch collected advance payments for PIT on the remuneration paid to a given employee and paid these advances to the account of the relevant tax office).

The Branch has timely submitted the annual declaration on advances towards the income tax on the PIT-4R form and has provided the employees and the relevant tax offices with the information on the income earned by the employees and the advances collected from these incomes towards the personal income tax on PIT-11 forms.

In 2021, the Branch collected and paid into the account of the relevant tax office advances towards personal income tax in the total amount of PLN 20,941,929.00.

## ➔ Other taxes

In 2021, the Branch was not liable to pay any other taxes.

### **6. Information on voluntary forms of cooperation applied by the taxpayer with the National Tax Administration authorities in Poland (“NTA”)**

In 2021, the taxpayer did not undertake any voluntary forms of cooperation with the NTA authorities. At the same time, the Branch, in its ongoing contacts with the NTA’s authorities, demonstrates openness and willingness to cooperate, and undertakes all other necessary forms of cooperation in order to duly discharge its tax obligations.

### **7. Information on the number of notifications on tax schemes, referred to in Article 86a § 1 point 10 of the General Tax Law Act, provided to the Head of the National Tax Administration, with a breakdown into taxes which they concern**

In 2021, NatWest provided the Head of the National Tax Administration with one notification on tax schemes referred to in Article 86a § 1 point 10 of the General Tax Law Act, with regard to corporate income tax, tax on civil law transactions, and tax on goods and services (VAT). This notification related to the purchase of the business of the Polish branch of NatWest Markets Plc.

### **8. Information on applications submitted to the NTA by the taxpayer for a general tax ruling, an individual tax ruling, binding rate information, binding excise information**

In 2021, NatWest did not submit any request for a general tax ruling, individual tax ruling, binding rate information or binding excise information.

### **9. Information on transactions with related parties within the meaning of Article 11a(1)(4), the value of which exceeds 5% of the balance sheet total of assets within the meaning of accounting regulations, determined on the basis of the last approved financial statement of the company, including the entities not being tax residents of the Republic of Poland**

In 2021, the Branch entered into transactions with related parties the total value of which exceeded 5% of the Branch's total assets

Transactions related to provision of various support services to Group entities, in particular:

- Technical and administrative assistance;
- Data processing,

- IT systems management
- Accounting and other support services related to financial operations and business processes.

Services were provided to Group entities located in: United Kingdom, Ireland, Germany, Singapore, France, Italy, Spain, Sweden, Hong Kong, Japan, Poland, USA, Netherlands, Jersey.

The Branch fulfilled all of its transfer pricing obligations within statutory deadlines. In addition, the Company submitted TPR-C form containing financial data related to the transactions.

**10. Information on restructuring activities planned or undertaken by the taxpayer, which may affect the size of tax liabilities of the taxpayer or of its related entities within the meaning of Article 11a(1)(4)**

In 2021, the taxpayer did not undertake restructuring activities that could affect the amount of tax liabilities of the taxpayer or related entities within the meaning of Article 11a(1)(4) of the Corporate Income Tax Act.

**11. Information on making tax settlements by the taxpayer in territories, or countries, applying harmful tax competition, as specified in secondary legislation issued pursuant to art. 11j(2) of the Corporate Income Tax Act of 15 February 1992, and pursuant to art. 23v(2) of the Personal Income Tax Act of 26 July 1991, and in the announcement of the minister competent for public finance issued pursuant to art. 86a § 10 of the Tax Ordinance Act**

In 2021, the taxpayer did not make tax settlements in territories, or countries, applying harmful tax competition, as specified in secondary legislation issued pursuant to Article 11j(2) of the CIT Act and in the announcement of the minister competent for public finance issued pursuant to Art. 86a § 10 of the Tax Ordinance Act, with the exception of settlements concerning transactions with a related entity NatWest Markets Plc Hong Kong Branch, i.e. the Hong Kong branch of NatWest Markets Plc with its registered office in Edinburgh.