



**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 2022 to 31 December 2022  
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 2022 to 31 December 2022.

The purpose of preparing this document is to comply with the obligation arising from Article 27c of the Corporate Income Tax Act of February 15, 1992 (consolidated text, Journal of Laws 2021, item 1800, as amended)

## 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 UK centred financial group headed by NatWest Group plc („**Group**"). The Group provides banking and financial services in the UK and supports its customers to access international markets in Europe, Asia and the US. The Group offers a wide range of products, which help customers to manage their financial risks and achieve their short and long-term financial and business goals.

The Polish Branch acts as a global competence centre (Global Hub Europe) for the Group and provides 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.

to other branches and subsidiaries in the Group who operate inside and outside of Poland. Most of these branches and subsidiaries in turn provide services to 3<sup>rd</sup> party customers of the Group.

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 [link](#) 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.

In line with the Group Tax Strategy, and the overall Purpose strategy of the Group, one of the key aims of the Branch is the responsible management of its tax affairs. The Branch aims to act in accordance with the letter and spirit of the tax law applicable to it and to submit correctly prepared tax returns on time and pay its taxes on time and in the correct amounts. The responsible approach taken 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 compliance with tax regulations is not only a legal obligation, but is also a social responsibility which applies to the Branch as well as the wider Group.

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



By following NatWest's overall approach to tax the Branch seeks to ensure that its tax accounts are fair, correct, complete, and transparent and to achieve a tax result that is consistent with the economic consequences of the transactions it undertakes.

#### **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**

In line with the Group's internal risk management framework, the Branch adopts a number of processes and procedures to ensure the proper performance of its obligations under tax law and to mitigate the risk that taxes are paid or reported incorrectly; are not paid or reported on time or that the Branch does not manage its tax affairs in line with the spirit as well as the letter of the law.

These processes and procedures are applied at each stage of performance of the Branch's tax obligations. They cover, in particular, the process of collection 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 to enable it to comply with its tax obligations in Poland, and these 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)
- counterparty verification.

The Branch applies at least a two-stage review system for verifying that its tax obligations are fulfilled as expected in line with the procedures and processes in place.

The application of the above procedures, and processes and of controls surrounding these has been entrusted to appropriately qualified and experienced personnel who seek to ensure their correct implementation. The persons responsible for particular areas undertake regular training to maintain up to date tax and industry knowledge and are responsible for keeping existing procedures, processes and controls up to date, so that

they correspond as accurately as possible to the dynamic legal and tax environment in Poland. Review of processes and procedures takes place at least annually and updates are made as necessary.

The Branch uses appropriate IT systems to help it to properly fulfill its tax obligations and manage its tax risks. Tax specialists employed by the Branch are also supported by external advisors and the Group Tax team in the UK in cases where areas of uncertainty arise either technically or in terms of approach or when additional resource input is required.

Should issues arise in relation to the application of the procedures, and processes and associated controls then the Branch has systems in place by which these issues are escalated and addressed as part of the overall risk management framework of the Group.

## **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 timely filed its corporate income tax return for 2022. Information on payments of corporate income tax by the Branch is published on the [website](#) of the Ministry of Finance.

### **➔ 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 2022, the Branch collected and paid into the account of the relevant tax office advances towards personal income tax in the total amount of PLN 25,782,075.00.

### **Other taxes**

In 2022, 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 2022, 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 2022, 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.

The Branch has put in place processes to identify and analyse potential tax schemes falling within the legislation so that they can be reported in a correct and timely manner where required.

#### **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 2022, 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 2022, 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.

During 2022 the Branch fulfilled all of its transfer pricing obligations within statutory deadlines. In addition the Branch submitted a TPR C form containing financial data related to these 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 2022 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 2022 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.

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