

**INFORMATION  
ON THE TAX STRATEGY IMPLEMENTED AT  
RE ALLOYS SP. Z O.O.  
FOR THE TAX YEAR 2020**

Łaziska Górne, 29 December 2021

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The Company's employees and associates participating in the process of accounting documents circulation perform an accurate content verification, accounting review (with reference to the Accounting Act provisions, Accounting principles (policy) adopted in the Company, tax law, counterparties database in the financial and accounting system and the financial and accounting system itself) and acceptance of the accounting documents in line with the applicable paths of acceptance upon internal procedures of documents circulation adopted in the Company. .... 7

The Company's management board, staff employed for operating activities and employees responsible for calculation of the Company's tax liabilities exchange information necessary to carry out an accurate process of tax liabilities calculation, assessment of tax implications and identification of tax risk, at each stage of the process..... 7

Tax risk is subject to regular analysis and is limited with the use of relevant measures. Tax liabilities are determined and met by responsible and qualified employees of the Company or tasks of this scope are entrusted to professional and qualified entities. They ensure application and observance of the law by, among others, constant broadening of their knowledge of current tax law provisions. The Company for this purpose uses services of external tax advisory companies. .... 7

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1) corporate income tax, ..... 8

2) personal income tax, ..... 8

3) value-added tax, ..... 8

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5) excise duty, ..... 8

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The Company did not sent the Head of the National Tax Administration any information on tax schemes in 2020. .... 8

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**4. Information on transactions with related entities within the meaning of article 11a section 1 point 4, value of which exceeds 5% of the balance sheet total of assets within the meaning of the accounting act, being measured based on the last approved financial statements of the company, where related entities also include tax non-residents of Poland ..... 8**

The Company, in the tax year 2020, concluded the following transactions with related entities, within the meaning of article 11a section 1 point 4 of the Corporate Income Tax Act, value of which exceeded 5% of the balance sheet total of assets, where related entities also include tax non-residents of Poland, within the scope of:..... 8

- sale of ready products; ..... 8
- production services purchase; ..... 8
- sale of energy; ..... 8
- sale of other services; ..... 8
- purchase of other services; ..... 8
- letting of real estate; ..... 8
- purchase of services of low added value; ..... 8
- obtaining sureties and guarantees; ..... 8
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**5. Information on the taxpayer's planned or taken restructuring measures which may influence the amount of tax liabilities of the taxpayer or related entities within the meaning of article 11a section 1 point 4 ..... 8**

The Company did not take any restructuring measures in 2020, nor does it plan any such measures in the future..... 8

**6. Information on the taxpayer's applications for the general tax interpretation as specified in article 14a §1 of the Tax Ordinance ..... 8**

In 2020, the Company did not submit applications for the general tax interpretation as specified in article 14a §1 of the Tax Ordinance. .... 8

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In 2020, the Company did not apply for the binding excise duty information as specified in article 7d section 1 of the act of 06 December 2008 on the Excise Duty (Journal of Laws of 2020, item 722, as amended 119). ..... 9

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## I. INTRODUCTION

Pursuant to article 27c of the act of 15 February 1992 on corporate income tax that provides for the obligation of preparing and making public the information on the tax strategy implemented at Re Alloys sp. z o.o. with its registered office in Łaziska Górne, at Cieszyńska 23, entered in the Register of Entrepreneurs of the National Court Register held by District Court Katowice - Wschód in Katowice, VIII Commercial Division of the National Court Register under the KRS number 0000027895, using the statistical number REGON: 276099119 and tax identification No. NIP: 629-213-56-48, of the share capital of PLN 13,564,500.00 (hereinafter the „Company”), we hereby present the information on the implemented tax strategy for the tax year 2020, with consideration of nature, type and volume of the operation carried out by the Company and exclusive of the information covered by commercial, industrial, professional and production process secrecy.

## II. INFORMATION ON THE TAX STRATEGY IMPLEMENTED IN THE TAX YEAR 2020

### 1. Information on the processes and procedures applied by the taxpayer regarding management of obligations arising from the tax law and ensuring a proper compliance with them.

In the tax year 2020, the Company implemented the tax policy in line with the principles and procedures aiming at ensuring due diligence in the Company's tax liabilities calculation processes and in assessment of the tax implications of the transactions carried out, also, any other liabilities provided for in the tax law, in particular with regard to:

- 1) corporate income tax,
- 2) personal income tax,
- 3) value-added tax,
- 4) tax on civil law transactions,
- 5) excise duty,
- 6) property tax.

All the Company's operations are taken after prior estimation of the tax risk.

The Company, within the business operation, meeting its public-law liabilities, including those arising from the tax liabilities, applies the following principles:

- 1) abiding by the applicable law and transparency of the measures taken,
- 2) paying taxes in in line with relevant regulations,
- 3) meeting the obligations to document in compliance with the applicable law,
- 4) submitting all the required tax returns and paying due taxes in a timely manner,
- 5) no transactions without economic rationale,
- 6) using only such tax exemptions and deductions that are provided for by the applicable law,
- 7) transactions with related entities are carried out on the arm's length principle and are described in the transfer pricing documents drawn up in line with the applicable law,
- 8) no cooperation with entities from countries applying harmful tax competition.

The Company meets the above requirements by:

- 1) providing, for the purposes of calculation of tax liabilities, completeness and accuracy of business operations recognition in the Company's books of accounts and obliging the employees and service providers to take up measures necessary for that purpose,
- 2) providing compliance of the business operations with new law and managing the relevant tax functions,
- 3) submitting proper data and documents (civil-law agreements, VAT invoices, receipts and other accounting documents) having impact on the Company meeting its tax liabilities,
- 4) providing verification by external tax advisory companies in terms of proper meeting of the tax liabilities,
- 5) ensuring effective control mechanisms over tax liabilities calculations process.

Prior to establishing commercial relations with counterparties, their details are checked with respect to compliance with the applicable tax requirements. IT systems used in the Company and internal tax management processes provide observance of the tax law.

Circulation of the accounting documents takes place with the use of the IT system based on internal procedures governing the registration of documents, content verification and acceptance, management board's acceptance and accounting verification.

The Company's employees and associates participating in the process of accounting documents circulation perform an accurate content verification, accounting review (with reference to the Accounting Act provisions, Accounting principles (policy) adopted in the Company, tax law, counterparties database in the financial and accounting system and the financial and accounting system itself) and acceptance of the accounting documents in line with the applicable paths of acceptance upon internal procedures of documents circulation adopted in the Company.

The Company's management board, staff employed for operating activities and employees responsible for calculation of the Company's tax liabilities exchange information necessary to carry out an accurate process of tax liabilities calculation, assessment of tax implications and identification of tax risk, at each stage of the process.

Tax risk is subject to regular analysis and is limited with the use of relevant measures. Tax liabilities are determined and met by responsible and qualified employees of the Company or tasks of this scope are entrusted to professional and qualified entities. They ensure application and observance of the law by, among others, constant broadening of their knowledge of current tax law provisions. The Company for this purpose uses services of external tax advisory companies.

## **2. Information on forms of voluntary cooperation between the taxpayer and the National Tax Administration**

Within implementation of the tax strategy, the Company maintains relations with the National Tax Administration which are based on trust and transparency. The Company takes every necessary measure to ensure accurate and timely performance of tax liabilities.

## **3. Information on fulfilling tax liabilities by the taxpayer on the territory of Poland along with the information on the number of notifications sent to the Head of the National Tax Administration containing information on tax schemes as specified in article 86a §1 point 10 of the Tax Ordinance, broken down by taxes they pertain to**

The Company fulfilled its tax liabilities in 2020 with regard to the following taxes and charges:

- 1) corporate income tax,
- 2) personal income tax,
- 3) value-added tax,
- 4) tax on civil law transactions,
- 5) excise duty,
- 6) property tax.

The Company did not send the Head of the National Tax Administration any information on tax schemes in 2020.

The Company complies with its tax obligations and files necessary tax returns within the statutory time limit. The Company does not have any tax arrears.

**4. Information on transactions with related entities within the meaning of article 11a section 1 point 4, value of which exceeds 5% of the balance sheet total of assets within the meaning of the accounting act, being measured based on the last approved financial statements of the company, where related entities also include tax non-residents of Poland**

The Company, in the tax year 2020, concluded the following transactions with related entities, within the meaning of article 11a section 1 point 4 of the Corporate Income Tax Act, value of which exceeded 5% of the balance sheet total of assets, where related entities also include tax non-residents of Poland, within the scope of:

- sale of ready products;
- production services purchase;
- sale of energy;
- sale of other services;
- purchase of other services;
- letting of real estate;
- purchase of services of low added value;
- obtaining sureties and guarantees;
- financing granting.

**5. Information on the taxpayer's planned or taken restructuring measures which may influence the amount of tax liabilities of the taxpayer or related entities within the meaning of article 11a section 1 point 4**

The Company did not take any restructuring measures in 2020, nor does it plan any such measures in the future.

**6. Information on the taxpayer's applications for the general tax interpretation as specified in article 14a §1 of the Tax Ordinance**

In 2020, the Company did not submit applications for the general tax interpretation as specified in article 14a §1 of the Tax Ordinance.

**7. Information on the taxpayer's applications for the tax provisions interpretation as specified in article 14b of the Tax Ordinance**

In tax year 2020, the Company submitted an application for the individual tax interpretation as specified in article 14b §1 of the Tax Ordinance.

The individual tax interpretation in terms of the exemption from corporate income tax was issued for the Company.

**8. Information on the taxpayer's applications for the binding tax rates information as specified in article 42a of the act on the value added tax**

In 2020, the Company did not apply for the binding tax rates information as specified in article 42a of the act on the value added tax.

**9. Information on the taxpayer's applications for the binding excise duty information as specified in article 7d section 1 of the act of 06 December 2008 on the Excise Duty (Journal of Laws of 2020, item 722, as amended 119)**

In 2020, the Company did not apply for the binding excise duty information as specified in article 7d section 1 of the act of 06 December 2008 on the Excise Duty (Journal of Laws of 2020, item 722, as amended 119).

**10. Information on the taxpayer's tax settlements made on territories or countries applying harmful tax competition listed in the implementing acts issued under article 11j section 2 and under article 23v section 2 of the act of 26 July 1991 on the personal income tax and in the announcement of the minister in charge of public finance matters issued under article 86a §10 of the Tax Ordinance**

In 2020, the Company did not carry out tax settlements made on territories or countries applying harmful tax competition listed in the implementing acts issued under article 11j section 2 and under article 23v section 2 of the act of 26 July 1991 on the personal income tax and in the announcement of the minister in charge of public finance matters issued under article 86a §10 of the Tax Ordinance

**Management Board of Re Alloys Sp. z o.o.**