



Information on the tax strategy executed in
2023

**BNY Mellon (Poland) Spółka z ograniczoną
odpowiedzialnością**

Prepared: December 10, 2024



List of terms and abbreviations

For the purposes of this document, the following terms were given the following meanings:

2023	The tax year, which begins on January 1, 2023 and ends on December 31, 2023
BNY Mellon, the Company	BNY Mellon (Poland) spółka z ograniczoną odpowiedzialnością
the Group, BNY Mellon Group	An international group that brings together The Bank of New York Mellon Corporation companies all over the world
Tax ordinance	Act of August 29, 1997 - Tax Ordinance (consolidated text Journal of Laws of 2023, item 2383, as amended)
CIT Act	Act of February 15, 1992 on Corporate Income Tax (consolidated text Journal of Laws of 2023, item 2805, as amended)
PIT Act	Act of July 26, 1991 on Personal Income Tax (consolidated text Journal of Laws of 2024, item 226, as amended)
Excise Duty Act	Act of December 6, 2008 on Excise Duty (consolidated text Journal of Laws of 2023, item 1542, as amended)
VAT Act	Act of March 11, 2004 on Value Added Tax (consolidated text Journal of Laws of 2024, item 361, as amended)

1. Introduction and legal basis

This document presents the tax strategy executed in 2023 by BNY Mellon (Poland) Spółka z ograniczoną odpowiedzialnością, which is part of The Bank of New York Mellon Corporation Group. This information on the executed tax strategy was prepared in accordance with Art. 27c(2) of the CIT Act). The content of the information should be interpreted in the light of the provisions constituting the basis for its preparation.

BNY Mellon as a taxpayer of corporate income tax with revenues exceeding the amount of EUR 50 million is required to prepare and publish information on the executed tax strategy for the financial (tax) year ended on December 31, 2023.

Information constituting trade, industrial, professional or manufacturing process secrets, as well as information to which access is restricted due to applicable laws or contractual obligations in this regard, may have been excluded from publication.

2. BNY Mellon – basic information

The Company has been operating in Wrocław since 2010. In early 2012, the Company became the fifth out of six BNY Mellon Group's Global Delivery Center in the world.

Polskie Globalne Centrum Usług (Polish Global Service Center) is a constantly developing Company that supports other entities of the BNY Mellon Group mainly in the field of accounting and business support.

Company name:	BNY Mellon (Poland) Spółka z ograniczoną odpowiedzialnością
Registered office:	ul. Powstańców Śląskich 13, Wrocław 53-322
Identification data:	KRS no.: 0000285336 Tax ID no. (NIP): 5252396885 REGON: 14100273900000
Date of entry in the Register of Entrepreneurs of the National Court Register:	August 20, 2007
Employment at the end of 2023:	2,534 people

3. Tax processes and procedures



Legal basis: Pursuant to Art. 27c(2)(1)(a) of the CIT Act, the taxpayer shall provide information on the processes and procedures for managing and ensuring the proper fulfillment of its obligations under tax law.

The Company has appropriate tax processes and procedures that ensure proper management of the performance of obligations under the provisions of the tax law. Tax procedures and processes reduce tax risks and help to standardize tasks.

The procedures in force were developed and implemented considering the organizational structure of the Company and the specifics of the industry in which it operates.

The Company, being aware of its responsibility for the environment in which it operates, takes into account social interests in its activities and avoids all forms of aggressive tax planning. Transactions carried out by the Company are based on market principles and are in no way motivated by the desire to obtain a tax advantage. By setting appropriate goals and means, the Company strived to properly manage, control and settle taxes, which enabled the correct and timely fulfillment of tax obligations and the fulfillment of tax reporting requirements.

The drive to properly fulfill the tax obligations by the Company also takes into account the regulations of the Group, of which the Company is a part.. They oblige all the Group's companies to conduct business, including meeting tax obligations, in an ethical and sustainable manner. These principles are part of the general framework of ensuring high standards and due diligence in the conduct of the Group's business, which are described in Group documents, such as:

- [Employee Code of Conduct](#), which defines the Group's business principles, indicating that these activities must be conducted in a manner consistent with the law and the highest ethical standards;
- [Corporate Governance Guidelines](#), which set forth the governance policies and procedures of The Bank of New York Mellon Corporation;
- [The Group's ESG Strategy](#), which comprehensively regulates the bank's approach to sustainable development and the incorporation of social, environmental, and corporate governance aspects into its daily operations.

Also, the [Group's Enterprise ESG Report 2023](#) included the tax transparency issues, because BNY Mellon Group believes that taxes have an economic and social impact globally. Group committed to acting with integrity in all tax matters and maintaining a transparent tax practice. BNY Mellon Group's tax mission is to fully comply with all applicable laws and regulations in the jurisdictions where it operates and have an open dialogue with tax authorities during all inquiries, controls and audits. The Group strives to conduct transactions that achieve a tax result that is consistent with the underlying economic effects that ensure compliance with the letter of the law.

The key document concerning and organizing tax issues in the Company is the [BNY Mellon Global Tax Strategy](#) which defines, among others, tax compliance principles, the issues of tax risk management, principles of cooperation with tax authorities or the rules of proceeding in tax matters.

As a part of the Group, the Company complies with the above policies, as a result of which it puts a high attention to corporate responsibility and believes that proper management of tax liabilities is one of its key responsibilities.

Key principles of the Company's conduct are based on tax regulations, the current line of interpretation and jurisprudence as well as good practices in this regard. The Company is focused on submitting all tax returns,

forms and information on time and meeting tax payment deadlines. By controlling and monitoring tax processes and settlements, the Company ensured compliance of its tax settlements with tax regulations. Additionally, the Company ensured properly kept documentation, which was the basis for decisions relating to tax settlements.

In order to effectively implement the rules of conduct applicable in the Company, the Company prepared tax procedures and auxiliary instructions. They were prepared taking into account the nature of the Company and the specifics of its operations. These procedures include in particular:

- document describing and documenting the key processes for Polish tax obligations and tax reporting (“Poland Tax Process Overview”);
- “Value Added Tax Procedure”;
- “Corporate Income Tax Procedure” and
- “Withholding Tax Procedure”.

Additionally, the Company has a standardized list of activities related to tax settlements and tax reporting, which should be performed and verified by the Company's employees on a monthly basis.

The Company, by setting appropriate goals and measures, strives to constantly improve the processes of management, control and settlement of taxes, enabling the correct and timely fulfillment of tax obligations.

As part of the harmonization and unification of the rules of conduct in tax matters and ensuring the correctness of tax settlements, the Company is supported by the Group in making key strategic decisions.

The implemented processes and procedures allowed for obtaining control over tax matters, which resulted in ensuring compliance with tax regulations as well as reporting requirements and risk management in this area. In the event of ambiguous issues, in order to minimize the negative effects of the misinterpretation, the Company confirmed and secured its position by obtaining opinions from external tax advisors, thanks to which services in the field of compliance with tax obligations were performed in line with the highest standards of the Group and in a comprehensive and transparent manner.

4. Information on the fulfilled tax obligations



Legal basis: Pursuant to Art. 27c(2)(2) of the CIT Act, the taxpayer shall provide information on the processes and procedures for managing and ensuring the proper performance of its obligations under tax law.

The Company fulfilled tax obligations in all areas required by tax law, taking into account the scope of the Company's operations.

The Company made every effort to ensure that the obligations were carried out reliably and in a timely manner, and that the information provided on tax obligations clearly and accurately reflected the facts and was up-to-date, complete and understandable.

In 2023, the Company fulfilled its tax obligations regarding corporate income tax (CIT) and withholding tax (WHT). Information about the corporate income tax settlement, particularly on the amount of tax revenue, tax deductible costs, taxable income, and the tax due, is published on the [Ministry of Finance website](#).

The Company also complied with its obligations in the areas of value-added tax (VAT) and customs duties.

In addition, the Company fulfilled its obligations in the field of personal income tax (PIT), under which the Company, among others, withheld tax on salaries paid to employees and paid social security contributions to the Social Insurance Institution on the employer's part and in the part deducted from employees' salaries.

The Company also paid contributions to the State Fund for Rehabilitation of Disabled Persons (PFRON).

5. Voluntary forms of cooperation with the National Revenue Administration



Legal basis: Pursuant to Art. 27c(2)(1)(b) of the CIT Act, the taxpayer provides information on voluntary forms of cooperation with the National Revenue Administration authorities

In 2023, the Company did not apply for the Cooperative Compliance Program nor was it a participant in this Program. During this period, the Company also did not submit an application for an Advance Pricing Agreement (APA) regarding transfer pricing.

In 2023, the Company submitted an application for an opinion on the application of preferences in withholding tax (WHT) collection. The opinion was issued in 2024.

In 2023, the Company did not engage in any other voluntary forms of cooperation with the National Revenue Administration authorities as defined in Art. 27c(2)(1)(b) of the CIT Act.

6. Tax schemes



Legal basis: Pursuant to Art. 27c(2)(2) of the CIT Act, the taxpayer provides information on the taxpayer's fulfillment of tax obligations on the territory of the Republic of Poland, together with information on the number of information on tax schemes referred to in Art. 86a(1)(10) of the Tax Ordinance, by tax to which they relate, provided to the Head of the National Revenue Administration.

In order to properly and timely fulfill its obligation to report tax schemes, the Company had a process in place for identifying potential tax schemes, analyzing them, and appropriately reporting them.

In 2023, the Company conducted verifications to determine whether certain events resulted in the obligation to report tax schemes. As a result, the Company identified two tax schemes and submitted information about them to the Head of the National Tax Administration.

7. Transactions with related entities



Legal basis: Pursuant to Art. 27c(2)(3)(a) of the CIT Act, taxpayers provide information on transactions with related entities, within the meaning of Art. 11a(1)(4) of the CIT Act, whose value exceeds 5% of total assets within the meaning of the accounting regulations, determined on the basis of the company's last approved financial statements, including entities that are not tax residents of the Republic of Poland.

The Company has strived to comply with its transfer pricing obligations in a timely manner.

In accordance with the applicable regulations, the Company reviewed the transactions subject to the documentation requirement in 2023 and prepared the local file, including the relevant benchmarking analyses. Additionally, the Company submitted the transfer pricing information (TPR-C form).

In 2023, the Company made transactions with related entities, including entities that are not tax residents of the Republic of Poland, the value of which exceeds 5%¹ of the balance sheet total of assets within the meaning of the accounting regulations, determined on the basis of the last approved financial statements of the Company. These transactions included in particular:

- Sale of accounting services to related entities based in Great Britain, Ireland, the United States and Luxembourg;
- Sale of IT services to related entities based in the United States;
- Sale of risk management services to a related entity based in the United States;
- Purchase of administrative support services from a related entity based in the United States.
- Purchase of IT services from an affiliate based in the United States;
- Purchase of risk management services from a related entity based in the United States;
- Obtaining a loan from a related entity based in Ireland;
- Line of credit (financing obtained from a related entity based in Ireland);
- Purchase of currencies from a related entity based in Belgium;
- Sale of currencies to an entity based in Belgium.

The Company's transactions with related entities in 2023 were conducted in accordance with the arm's length principle.

8. Restructuring activities



Legal basis: Pursuant to Art. 27c(2)(3)(b), taxpayers shall provide information on restructuring activities planned or undertaken by the taxpayer which may affect the amount of tax liabilities of the taxpayer or of related entities within the meaning of Art. 11a(1)(4) of the CIT Act.

In 2023, there were two instances of transferring parts of the Company's enterprise to the Polish branch of a related Belgian company.

¹ PLN 27,291,050

In 2023, the Company neither undertook nor planned any other restructuring actions that could impact the tax liabilities of the Company or its related entities as defined in Art. 11a(1)(4) of the CIT Act.

9. Tax settlements in territories or countries applying harmful tax competition



Legal basis: Pursuant to Art. 27c(2)(5) of the CIT Act, taxpayers provide information on the tax settlements of the taxpayer in territories or countries applying harmful tax competition indicated in executive acts issued on the basis of Art. 11j(2) of the CIT Act and on the basis of Art. 23v(2) of the PIT Act and in the announcement of the minister competent for public finance issued on the basis of Art. 86a(10) of the Tax Ordinance.

The Company did not make tax reconciliations in territories or countries applying harmful tax competition indicated in the executive acts issued under Art. 11j(2) of the CIT Act and Art. 23v(2) of the PIT Act and in the announcement of the Minister competent for public finance issued under art. 86a(10) of the Tax Ordinance.

In particular, in the above-mentioned territories / countries, the Company in 2023:

- has not been registered for tax purposes;
- did not submit tax returns or forms;
- did not collect and pay taxes including withholding tax.

10. Submitted applications



Legal basis: Pursuant to Art. 27c(2)(4) of the CIT Act, taxpayers shall provide information on applications submitted for the issuance of:

- general tax ruling referred to in Art. 14a(1) of the Tax Ordinance,
- tax law ruling referred to in Art. 14b of the Tax Ordinance,
- binding tax rate information referred to in Art. 42a of the Value-Added Tax Act,
- binding excise duty information referred to in Art. 7d(1) of the Excise Duty Act.

In 2023, the Company submitted applications for individual tax ruling within the meaning of Art. 14b of the Tax Ordinance Act regarding the value-added tax (VAT) and civil law activities tax (CLAT).

At the same time, in 2023, the Company did not apply for any:

- general tax ruling within the meaning of Art. 14a(1) of the Tax Ordinance;
- binding tax rate information within the meaning of Art. 42a of the VAT Act;
- binding excise duty information within the meaning of Art. 7d(1) of the Excise Tax Law.