



EUROPE

Swidnica Manufacturing Facility

AAM Poland sp. z o.o.

Information on the implemented tax strategy for 2022

based on Article 27c of the Corporate Income Tax Act
(Journal of Laws of 2022, item 2587 as amended)

Szarych Szeregów 18-18, 58-100 Świdnica, Poland
+48(74)6400.300 | www.aam.com
Nr VAT: PL.8871710027
Kapitał zakładowy: 93 050 050,00 zł

Numer KRS: 0000243784
Rejestracja: Sąd Rejonowy dla Wrocławia - Falmicznej
we Wrocławiu IX Wydział Gospodarczy Krajowego Rejestru
Sądowego



**EUROPE**

Swidnica Manufacturing Facility

Content of the document

I	Introduction	3
II	Components of the Information on the Tax strategy	5
1a	Tax processes and procedures	5
1b	Voluntary forms of cooperation with the National Tax Administration	6
2	Implementation of tax obligations, including information on tax schemes	7
3a	Transactions with related parties	8
3b	Planned or undertaken restructuring measures	8
4	Submitted applications	9
5	Tax settlements in tax havens	10
III	List of abbreviations and definitions	11



EUROPE

Świdnica Manufacturing Facility

I. Introduction

AAM Poland sp z o o (the Company) belongs to an international group, American Axle & Manufacturing Holdings, Inc (AAM or Group)

The Group is a global leader in the design, development, testing, validation and manufacture of driveline systems (with associated components) and chassis systems for light commercial vehicles, SUVs, passenger cars, crossover vehicles and other commercial vehicles. AAM's product range includes axles, chassis components, drive shafts, powertrain assemblies, transfer cases, steering components, crankshafts, transmission parts and other metal products.

As a leading global automotive supplier, AAM designs, engineers and manufactures powertrain and metal forming technologies to support electric, hybrid and internal combustion vehicles. Headquartered in Detroit (USA), the Group has approximately 19,000 employees operating from nearly 80 locations in 18 countries, supporting customers both globally and regionally with a focus on quality, operational and technological excellence.

AAM Poland sp z o o was registered as a commercial law company in the Register of Entrepreneurs of the National Court Register on 21 October 2005 under the number 0000243784 and has its registered office in Świdnica. The company operates on the basis of the Commercial Companies Code and other generally applicable laws, as well as on the basis of an agreement and internally adopted bylaws.

The main products of the Company are precise drive systems and components, including traction systems and differentials for passenger cars.

The subject of the Company's business is in particular:

- machining of metal elements,
- production of accessories for motor vehicles and engines,
- wholesale of parts of accessories for motor vehicles,

The Company pursues business objectives in such a way as to guarantee fairness, transparency and legality of the accounts, including in the field of tax policy. The Company's Tax strategy reflects these values, and this Information on the implemented Tax Strategy has been prepared based on the provisions of Art. 27c of the CIT Act and presents:

- 1) information on the taxpayer's operations
 - a) the processes and procedures relating to the management of the performance of obligations under tax law and ensuring that they are properly implemented,
 - b) voluntary forms of cooperation with the National Tax Administration,
- 2) voluntary forms of cooperation with the National Tax Administration, information on the performance by the taxpayer of tax obligations in the territory of the Republic of Poland, together with the number of information provided to the Head of the National Tax Administration on tax schemes referred to in Article 86a § 1 item 10 of the Tax Ordinance, broken down by the taxes concerned,

Szarych Szaregow 16-18, 58-100 Świdnica Poland
+48(74)6409.300 | www.aam.com
Nr VAT: PL 8871710027
Kapitał zakładowy: 93 059 050,00 Zł.

Numer KRS: 0000243784
Rejestracja: Sąd Rejonowy dla Włocławka - Fabrycznej
we Włocławku, IX Wydział Gospodarczy Krajowego Rejestru
Sądowego



**EUROPE**

Swidnica Manufacturing Facility

- 3) information on
 - a) transactions with related parties within the meaning of Article 11a section 1 item 4 of the CIT Act, the value of which exceeds 5% of the balance sheet total of assets within the meaning of the Accounting Act, determined on the basis of the last approved financial statements of the company, including non-taxable entities of the Republic of Poland,
 - b) planned or undertaken by a taxpayer for restructuring activities liable to affect the taxpayer's tax liability or related entities within the meaning of Article 11a sec 1 item 4 of the CIT Act,
- 4) information on the applications submitted by the taxpayer
 - a) the general tax interpretation referred to in Article 14a § 1 of the Tax Ordinance,
 - b) the interpretation of the provisions of tax law referred to in Article 14b of the Tax Ordinance,
 - c) binding tax rate information referred to in Article 42a of the VAT Act,
 - d) binding excise information as referred to in article 7d section 1 of the Excise Tax Act,
- 5) information on the taxpayer's tax settlements in territories or countries applying harmful tax competition as indicated in the implementing acts issued pursuant to Article 11j section 2 of the CIT Act and pursuant to Article 23v section 2 of the PIT Act and in the Notice of the Minister responsible for Public Finance issued pursuant to Article 86a § 10 of the Tax Ordinance,

- excluding information covered by commercial, industrial, professional or manufacturing secrets

**EUROPE**

Świdnica Manufacturing Facility

II Components of the Information on the Tax strategy

1a. Tax processes and procedures

Information on the processes and procedures applied by the Taxpayer in relation to the management of the performance of obligations under tax law and ensuring their proper implementation (Article 27c section 2 item 1 letter a of the CIT Act)

AAM Poland sp z o o management board and individuals supervising the Company's tax settlements provide every effort to ensure that the process of managing the implementation of obligations under tax law ensures their proper execution

Tax functions and responsibilities in the tax area have been entrusted to individuals with adequate qualifications, professional experience and specialized knowledge. Personnel performing and supervising the tax function at AAM Poland sp z o o is characterized by professionalism and is guided by high professional ethics.

As an entity belonging to the Group, the Company is obliged to comply with the procedures and policies in force in the Group, relating also to the performance of obligations resulting from the provisions of tax law and ensuring their proper performance.

During the Tax year, the Company applied procedures and instructions - directly or indirectly referring to tax aspects - constituting a tool supporting the process of managing the tax function in order to correctly and timely fulfill tax obligations, in accordance with applicable regulations and due diligence. The developed procedures and processes have been adapted to the nature of the automotive industry in which the Company operates.

The Group's procedures affecting the fulfilment of tax obligations cover the tax issues that are fundamental for the multinational group's business, in particular such as:

- general responsibility for the tax area - collecting and completing data, signing tax returns, reporting tax disputes, communication between tax representatives, reporting tax changes, retention of data needed to complete tax returns, informing head office of tax correspondence,
- reporting of the so-called "tax package",
- fulfilment corporate income tax obligations and sending information to the group in this regard,
- fulfilment of obligations relating to real estate tax, i.e. preparation of tax returns and payment of taxes.

The internal procedures and instructions cover in particular the following issues:

- the principles of liability for tax settlements of the Company, including the procedure for tax settlements relating to individual taxes, in particular CIT and VAT, in a manner consistent with the law and also preventing non-compliance with tax obligations, including identification of the persons responsible for taking action, such as:
 - identification of tax obligations,
 - adequate legal and tax qualification,

Szarych Szeregów 16-18, 58-100 Świdnica, Poland
+48 (74) 8400.300 | www.aam.com
NIP: PL 8971710027
Kapitał zakładowy: 93 050 000,00 zł

Numer KRS: 0000243784
Rejestracja: Sąd Rejonowy dla Wrocławia - Fabrycznej
we Wrocławiu IX Wydział Gospodarczy Krajowego Rejestru
Sądowego



**EUROPE**

Świdnica Manufacturing Facility

- drawing up tax calculations,
 - preparation of tax information and declarations,
 - payment of tax payments,
 - exercising supervision and control in this respect,
- making accounting settlements, including issues regarding the closing of the accounting year and month, control of accounting documentation and recording accounting documents, as well as their storage and archiving,
 - information flow and document circulation affecting the timely identification of tax obligations,
 - documentation management, including rules for archiving and storing tax documents and responsibility for cash flow

In the Tax year, the Management Board of the Company and persons supervising tax settlements carried out activities aimed at implementing and complying with the key guidelines regarding the internal tax supervision framework in accordance with the recommendations specified in the "Guidelines for the Internal Tax Supervision Framework" published by the National Tax Administration

1b. Voluntary forms of cooperation with the National Tax Administration

Information on voluntary forms of cooperation by the taxpayer with the National Tax Administration (Article 27c section 2 item 1 letter b of the CIT Act)

AAM Poland sp. z o.o. did not apply and did not participate in the Tax year in voluntary forms of cooperation with the National Tax Administration.

Notwithstanding the above, the Company seeks to maintain open and transparent relations with tax authorities in order to ensure the transparency and regularity of tax settlements

Szarych Szeregów 18-18, 56-100 Świdnica Poland
+48(74)8408.300 | www.aam.com
Nr VAT: PL.6971710027
Kapitał zakładowy 93 050 050,00 ZŁ

Numer KRS: 0000243784
Rejestracja: Sąd Rejonowy dla Wrocławia - Fabrycznej
we Wrocławiu IX Wydział Gospodarczy Krajowego Rejestru
Sądowego



**EUROPE**

Świdnica Manufacturing Facility

2. Implementation of tax obligations, including information on tax schemes

Information on the fulfilment by the taxpayer of tax obligations in the territory of the Republic of Poland, together with information on the number of information provided to the Head of the National Tax Administration on the tax schedules referred to in the Article 86a § 1 item 10 of the Tax Ordinance, broken down by the taxes concerned (Article 27c section 2 item 2 of the CIT Act)

AAM Poland sp. z o.o., has the status of a taxpayer for the purposes of CIT settlements. Company is a Polish tax resident and carries out its tax obligations in the field of taxes and fees other than CIT in respect of the following taxes:

- VAT and excise tax,
- PIT (as remitter),
- real estate tax,
- tax on civil law transactions,
- withholding tax (as remitter).

Aforementioned settlements in principle are carried out in a timely manner in accordance with the provisions of generally applicable law.

In the Tax year, AAM Poland sp. z o.o. did not identify any activities that could be recognized as a tax scheme. Therefore, the Company did not provide the Head of the National Tax Administration with information on tax scheme within the meaning of the Article 86a section 1 item 10 of the Tax Ordinance.

Szarych Szaregow 1B-1B, 5B-100 Świdnica, Poland
+48(74)6409.300 | www.aam.com
NIP VAT: PL 8971710027
Kapitał zakładowy: 93 059 050,00 Zł

Numer KRS: 0000243784
Rejestracja: Sąd Rejonowy dla Wrocławia - Fikcyjna
wrocławia IX Wydział Gospodarczy Krajowego Rejestru
Sądowego



**EUROPE**

Świdnica Manufacturing Facility

3a. Transactions with related parties

Information on transactions with related parties within the meaning of Article 11a section 1 item 4 of the CIT Act, the value of which exceeds 5% of the balance sheet total of assets within the meaning of the Accounting Act, as determined on the basis of the last approved financial statements of the company, including non-taxable entities of the Republic of Poland (Article 27c section 2 item 3 letter a of the CIT Act)

In the Tax year, the Company carried out the following transactions with affiliated parties within the meaning of Article 11a section 1 item 4 of the CIT Act, the value of which exceeded 5% of the carrying amount of assets:

- **AAM International Holdings, Inc.:**
 - Repayment of interest on the loan taken out in previous years,
- **American Axle & Manufacturing, Inc.:**
 - Guarantee,
- **AAM Germany GmbH:**
 - Re-invoicing of compensation received by the above entity to the Company,
- **MetaldyneLux Sarl:**
 - participation in the Group cash pool system

3b. Planned or undertaken restructuring measures

Information on planned or undertaken restructuring activities which may affect the tax liability of the taxpayer or related parties within the meaning of Article 11a section 1 item 4 of the CIT Act - Article 27c section 2 item 3 letter b of the CIT Act

In the Tax year, AAM Poland sp z o o did not plan or take restructuring measures that may affect the amount of tax liabilities of the Company or its affiliated entities within the meaning of Article 11a section 1 item 4 of the CIT Act

**EUROPE**

Świdnica Manufacturing Facility

4. Submitted applications

a) applications for general tax interpretation

Information of the taxpayer requests for general tax interpretation referred to in art. 14a § 1 of the Tax Ordinance (Article 27c(2)(a)(4) of the CIT Act)

AAM Poland sp z o o did not submit an application for a general tax interpretation within the meaning of Article 14 § 1 of the Tax Ordinance in the Tax year

b) applications for individual tax interpretation

Information on the taxpayer's requests for individual interpretation of the tax legislation referred to in the Art. 14b of the Tax Ordinance (Article 27c(2) p.4 l. b CIT Act)

AAM Poland sp z o o did not submit an application for an individual interpretation of the tax legislation referred to in Article 14b of the Tax Ordinance in the Tax year

c) applications for binding tax rate information

Information on the requests made by the taxpayer for binding tax rate information referred to in the Art. 42a of the VAT Act (Art. 27c section 2 item 4 letter c)

AAM Poland sp z o o did not submit a request for binding tax information in the Tax year

d) applications for binding excise information submitted

Information on requests made by the taxpayer for binding excise information referred to Article 7d clause 1 of the Excise Tax Act (Art. 27c paragraph 2 point 4 letter d of the CIT Act)

AAM Poland sp z o o, did not submit an application for binding excise information in the Tax year

**EUROPE**

Swidnica Manufacturing Facility

5. Tax settlements in tax havens

Information on the taxpayer tax settlements in territories or countries applying harmful tax competition as indicated in the Implementing acts Issued pursuant to Art. 11j section 2 of the CIT Act and on the basis of Art. 23v section 2 of the PIT Act and due to the Notice of the Minister responsible for Public Finance Issued on the basis of the Art. 86a § 10 of the Tax Ordinance

In the Tax year, AAM Poland sp. z o.o. did not make tax settlements in territories or countries applying harmful tax competition as indicated in the implementing acts issued

**EUROPE**

Switzerland Manufacturing Facility

III. List of abbreviations and definitions

CIT	corporate income tax
Tax Ordinance Act	Act of 29 August 1997 Tax Ordinance (Journal of Laws No 2022, item 2651, as amended)
PIT	personal income tax
Taxpayer	AAM Poland sp z o o
Tax year	The tax year of the Company covering the period from 1 January 2022 to 31 December 2022
Company	AAM Poland sp z o o
Tax strategy	a set of principles and guidelines that the Company has adopted and pursues with respect to the performance of its tax obligations
The CIT Act	Act of 15 February 1992 on corporate income tax (Journal of Laws No 2022, item 2587, as amended)
The PIT Act	Act of 26 July 1991 on personal income tax (Journal of Laws No 2022, item 2647, as amended)
The Excise Tax Act	Act of 6 December 2008 on excise duty (Journal of Laws No 2022, item 143, as amended)
The VAT Act	Act of 11 March 2004 on value added tax (Journal of Laws No 2022, item 931, as amended)
VAT	value added tax

