

Polymetal London Ltd Tax Strategy for 2020

Polymetal London Ltd (“PM London”) is a 100% subsidiary of Polymetal International plc and the only Polymetal Group¹ company registered in the UK.

PM London’s Tax Strategy is to fully comply with applicable statutory UK tax obligations and maintain co-operative relationships with tax authorities, to partner the business in providing relevant tax advice and to enhance shareholder value.

The Tax Strategy is consistent with the Group Tax Strategy available at our website https://www.polymetalinternational.com/upload/iblock/e0e/Polymetal_Global_Tax_Strategy.pdf.

Tax risk management

PM London aims to manage its tax affairs within the overall Polymetal Group corporate governance and risk management framework.

PM London’s objective is to ensure that all taxes are correctly accounted for, that tax returns are completed accurately and on time and that any tax liabilities are paid. There are sufficient processes and controls in place to ensure that objective is met.

In case there are any uncertainties in the tax law application, PM London’s decision-making is supported by the involvement of appropriate advisers.

Cross-border transactions undertaken between related companies are taxed on an ‘arm’s length’ basis in accordance with the principles endorsed by the OECD and the United Nations Committee of Experts on International Cooperation in Tax Matters.

Tax planning and acceptable level of tax risk

PM London utilizes reasonably conservative tax strategy that is consistent with genuine commercial activity.

When making decisions PM London considers applying a low risk approach in regard to UK taxes.

Approach to dealing with HMRC

Where the interaction with HMRC takes place, PM London is committed to building transparent relationships and maintaining open communication with the HMRC.

PM London aims to conclude tax audits as quickly as possible. Where disputes arise over the interpretation and application of tax legislation, PM London will seek to resolve any differences by discussing the merits with the UK tax authorities.

PM London consistently applies the presented Tax Strategy from year to year.

¹ Polymetal Group includes Polymetal International plc and its subsidiaries.