

## Tax Strategy - Union Bank of India (UK) Ltd

Union Bank of India (UK) Ltd (“UBI UK” or “the Bank”) provides as its core businesses retail, corporate and commercial banking, trade finance and treasury services.

Our Tax Principles guide how we manage our tax affairs, for ourselves, our staff, suppliers and on behalf of our clients. We consider our stakeholders, including governments and communities, when making decisions related to our tax affairs.

Our taxation approach is aligned with our values, having regard to maintaining our credible reputation as a responsible taxpayer.

We are signatories of HMRC’s Code of Practice on Taxation for Banks and our Tax Principles are framed in the spirit thereof. The publication of these Tax Principles is to fulfil the duty under paragraph 16(2) of Schedule 19 of the Finance Act 2016.

### Risk management and governance

- We maintain internal controls over our tax affairs and have clear lines of accountability. We place a strong emphasis on internal governance and maintenance of high ethical standards in our tax practices.
- The Board of Directors are accountable for the Tax Principles and governance, which will be subject to an annual review.
- The Board of Directors and Senior Management are responsible for establishing and maintaining appropriate processes to ensure adherence with the Tax Principles in business decision-making.
- Taxation is a fundamental part of our Finance function and there is constant dialogue between the Board of Directors, the Chief Financial Officer and the Finance function to whom the day to day management of tasks are delegated to ensure the Bank manages its tax risk.
- The responsibilities for taxation matters are further articulated within our Tax Risk and Controls Framework.

### Attitude towards tax planning

- We do not engage in tax planning other than that which supports our genuine commercial activity.
- We may utilise tax incentives or opportunities to obtain tax efficiencies in alignment with the intended policy objectives of the relevant governments.
- We do not enter into arrangements which are not aligned to the intention of Parliament and we do not use artificial tax structures that are intended for tax avoidance.
- In cases where there is uncertainty over the tax treatment or where UBI UK requires further expertise to adequately assess the tax consequences, external advice may be sought to support the decision-making process.

### Acceptable level of tax risk

- As an organisation, our structure and our tax affairs are not complex. Accordingly, our appetite for tax risk remains low, and this is reflected in our business activities.
- When conducting our business activities, we consider the applicable tax laws with a view to optimising value on a sustainable basis for our clients and stakeholders. This is best served through the maintenance of a low tax risk appetite and we ensure that any inherent tax risks are appropriately mitigated.
- Neither UBI UK, nor persons we associate with, undertake or facilitate, transactions which are designed to achieve tax results that are contrary to the intention of tax legislation. We are committed to combatting financial crime including money laundering arising from tax evasion, by sustaining a robust Compliance function

### Approach to dealing with HMRC

- We foster a culture of transparency and are transparent in our interaction with taxation authorities. We maintain an open and honest relationship based on collaboration and integrity.
- Issues with taxation authorities are resolved in a timely manner, and where a difference of opinion arises, we work to resolve such matters quickly and efficiently.

The above Tax Principles were adopted by the Board of Directors of UBI UK on 27 March 2018.