



**Mitsubishi UFJ Trust International Limited**

**Tax Strategy**

**Year ended 31 December 2023**

## **1. Introduction**

Mitsubishi UFJ Trust International Limited ('MUTI') is a wholly owned subsidiary of Mitsubishi UFJ Trust and Banking Corporation ('MUTB'), which is a wholly owned subsidiary of Mitsubishi UFJ Financial Group ('MUFG'). MUTI currently has one place of business overseas in Singapore and is subject to relevant taxes within this jurisdiction. MUTI is a "qualifying company" for publishing its tax strategy as it is a member of a foreign group which met the conditions of the quantification test for a group under Schedule 19 of the Finance Act 2016.

## **2. Our Tax Strategy**

MUTI's strategic focus is to preserve a low risk business model through maintaining adequate capital in terms of quality and liquidity in order to provide a high level of service with existing clients whilst seeking out other low risk business opportunities. MUTI's tax strategy is to fulfil its tax obligations as dictated by legislation and guidelines and to manage its tax position and associated tax risks in a way that best supports this strategic focus.

This document sets out the UK tax strategy of MUTI in accordance with Finance Act 2016 Schedule 19 paragraph 22(2) and will be annually reviewed by MUTI's Chief Executive Officer ('CEO') and Chief Operating Officer ('COO') whom both sit on the Board of Directors ('the Board').

## **3. Appetite for UK Tax Risk**

MUFG's corporate vision is to be the world's most trusted financial group and is committed to act responsibly in the best interest of its customers and society as a whole. MUTI has a low appetite for tax risk and seeks to minimise or avoid tax risk wherever practicable which reflects the group's vision and values. MUTI has no appetite for tax evasion and does not promote tax avoidance and aggressive tax planning arrangements to our customers or other parties.

## **4. Tax Governance**

The CEO and the COO are responsible for MUTI's overall tax strategy. The COO is also responsible for protecting the integrity of MUTI's UK tax position in dealings with other members of the UK MUFG group.

The COO, also the Senior Accounting Officer ('SAO'), will bring all relevant tax matters to the Board's attention.

All matters in relation to taxes including tax strategy implementation and adherence will be reported to the COO from the relevant Departments regularly.

Each Department Head and Manager is responsible for ensuring that they are aware of the facilitation of tax evasion risks within their area and as detailed in MUTI's tax policy, and for ensuring these risks are managed effectively in line with the relevant MUTI policies and procedures.

MUTI's policies in relation to the UK taxes is implemented through various documented procedures which are reviewed on a regular basis. These procedures recognise that in relation to certain taxes MUTI is part of a wider tax group.

MUTI also ensures top level commitment throughout the organisation. The relevant policies and procedures are communicated with its associated persons through internal and external communication including training. MUTI also applies due diligence procedures to mitigate the risks in relation to taxes.

MUTI retains skilled professional advice for any tax issues which may have a potentially ambiguous or controversial UK tax treatment.

## **5. Tax Planning and Risk Management**

In operating the tax risk management and governance processes, MUTI is committed to compliance with our tax obligations, paying the right amount of tax at the right time. MUTI seeks to ensure that our tax arrangements remain consistent with a low risk assessment, both in financial and reputational terms.

MUTI has formally adopted, and comply with, HMRC's Code of Practice on Taxation for Banks (the 'Code'). In compliance with the Code, MUTI also has tax risk management and governance processes encompassed within a formal policy.

In accordance with our Code commitments, our approach is not to engage in tax planning that does not support genuine commercial activity. MUTI does not seek to structure transactions in ways that give tax results inconsistent with their underlying economic consequences. MUTI aims to ensure that our tax position in any planning activity is consistent with the spirit as well as the tax law and MUTI will take skilled professional advice to confirm this if necessary.

## **6. Approach Towards Dealing with HMRC**

MUTI engages with HMRC openly and constructively, based on compliance with tax filing, tax reporting and tax payment obligations. Where appropriate and possible, MUTI endeavours to engage with HMRC on a real time basis in any areas of material uncertainty, so as to minimise our tax risk and to provide greater certainty for both parties in advance of formal tax filings.