

First Commercial Bank, London Branch Tax Strategy Statement

1. This document is for the financial year ended 31 December 2019, which sets out the tax strategies that the Branch adopts and how it manages tax risks. It is aligned to the Tax Governance Policy that First Financial Holding Co. Ltd., the parent of First Commercial Bank ('Bank') (http://csr.firstholding.com.tw/en/doc/rr/14tax_governance_policy_en.pdf) has published. This document is also in compliance with the UK tax strategy publication requirement under Part 2 of Schedule 19 FA2016.
2. This Branch is the Bank's only UK permanent establishment. Although not a resident of the UK for the purposes of domestic law or its tax treaties with other countries, it is liable to UK Corporation Tax on any trading income arising directly or indirectly through or from it and any income from property or rights, used or held by or for it.
3. Business of the Branch is essentially that of a commercial bank with net interest income being its main source of income. It aims to maximise its income without exposing itself to undue risks.
4. The Branch will comply with all relevant tax laws and regulations applicable to it. It strives to pay the correct amount of tax at the right time. While aim to improve tax efficiency, it does not engage in aggressive tax planning.
5. The Branch does have transactions with other branches or members of the bank. All these dealings are at an-arm's-length basis.
6. All transactions of the branch are for business purposes and are supported by commercial reasons. The Branch operates a robust accounting system to ensure that all its transactions are recorded. Its accounting function is responsible for the integrity of the accounting system as well as managing other tax risks such as timely payments of correct amount of tax due, correctness of tax returns and their timely submissions. These risks are mitigated by staff training, established control procedures, checking and sign-off of works done, as well as reconciliation between different sources. In addition to the Branch management, the account function also reports to the Accounting Division at Head Office which oversees the Bank's tax management.
7. The Branch engages tax advisors for compliance purposes.
8. The Branch will deal with the HM Revenue & Customs in an open, honest and transparent manner.
9. This statement was approved by the bank's Board of Directors.