

Tax strategy of MUFG Fund Services (UK) Limited ('the Company')

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. The Company's tax strategy and tax risk appetite reflect the group's vision and values. The Company's tax strategy is to manage the Company's tax position and associated tax risks in a way that best supports the Company's business strategy while seeking to minimise tax risk wherever practicable.

Tax governance and management of tax risk

Ultimate responsibility for the Company's tax strategy and tax governance framework rests with the Company's Board. Responsibility for monitoring adherence to the tax strategy and governance framework rests with the Chief Financial Officer (CFO) of the Holding Company of the Company, who is also a director of the Holding Company and responsible for the financial controls of the Company. Day to day responsibility for operating in accordance with the tax strategy and framework rests with the Financial Controller, who oversees the financial reporting and reports regularly to the CFO. We understand the importance of tax in the wider context of business decisions and have processes in place to ensure tax is considered as part of our decision making process.

The Board is conscious of the potential reputational damage caused by inadequate tax governance, and sees applying diligence and care in the management of the processes and procedures by which all tax related activities are undertaken and a good relationship with our professional advisors as the best way to manage this reputational risk.

Appetite for UK tax risk

The Company's appetite for UK tax risk reflects the group's vision and values. Our approach is to ensure we are compliant and understand our responsibilities with regards to tax, rather than looking for ways to aggressively avoid payment of tax. In the case of tax issues with a degree of uncertainty we will seek expert professional advice.

Attitude towards UK tax planning

Tax is a business cost. The Company is prepared to consider planning to mitigate this cost, but, in line with its appetite for tax risk, only where this is expressly permitted or envisaged by tax law in the context of genuine commercial activity or to support regulatory policy objectives. The Company accepts it should pay the tax intended by Parliament on its commercial activities. In doing so the Company seeks to obtain tax relief for its business costs and to prevent its income being taxed more than once. The Company aims to price all transactions with overseas affiliates on the basis of the arm's length standard, interpreted using OECD guidelines.

The Company is not prepared to be party to, or to knowingly facilitate for others, transactions designed to achieve results which do not accord with the aim or intention of tax laws, whether in the UK or overseas. The Company does not provide tax advice, nor design nor promote tax based products to others. Staff are not measured, nor incentivised to act, by reference to tax savings for the Company or for others.

Approach to dealing with HMRC

The Company is committed to the principles of openness and transparency in its approach to dealing with HMRC. We employ the services of professional tax advisers to act as our agents, and if necessary they liaise with HMRC on our behalf. They remain under the supervision of the CFO/Financial Controller.

The Company regards the publication of this strategy as complying with its duty under FA 2016 Schedule 19 paragraph 22(2) to publish a tax strategy in 2018