

# Union Bank of Taiwan Tax Governance Policy

Established on January 13, 2024

## General Provisions

Article 1. This tax governance policy (hereinafter referred to as the “Policy”) is established by Union Bank of Taiwan. (hereinafter referred to as “Bank”) in the response to the international trend of adopting tax governance and implement sustainable of corporate.

Article 2. The Bank and all subsidiaries shall comply with the Policy.

## Tax Governance Principles

Article 3. The Bank’s tax governance is as follows:

1. Tax compliance: Comply with tax regulations, pay the appropriate taxes in accordance with the law, and fulfill the taxpayer’s social responsibility.
2. Economic substance: Utilize lawful and transparent tax incentives, refrain from adopting tax structures intended to evade tax liabilities, and do not shift profits to low-tax jurisdictions or use tax havens for tax avoidance.
3. Risk management: In the formulation and implementation of tax policies, relevant risks should be assessed and appropriate strategies adopted.
4. Information transparency: The Bank shall comply with the International Financial Reporting Standards and regularly disclose the tax information.
5. Honest communication: The Bank shall maintain good communication with tax authorities, which in turn enhances the tax environment and taxation system.
6. Arm’s Length transaction: Related party transactions need to comply with Arm’s Length Principle, not only the transaction pricing but also conditions should similar to the unrelated party.
7. Foster talent: Enhance the tax-related knowledge and skills relevant personnel through appropriate training to improve taxation governance.

Article 4. The relevant organizational structures and responsibilities of tax administration are as follows:

1. Board of Directors

The Board of Directors approves the overall tax governance policies based on the overall operating strategy and operating environment, supervises the implementation of the tax risk management mechanism of the Bank, and ensures the effective operation of the tax governance.

2. Tax Management Unit

Business Management Department is the tax management unit that formulates tax governance policies, establishes a tax management structure, and controls the Bank's various operational activities to prevent the Bank from violating the above principles. Administrative relief cases involving tax shall be reported in accordance with the standard of division of responsibilities. Other tax related matters shall be reported to the Board of Directors depending on the significance of the issue.

Article 5. The Policy shall be reviewed and amended accordingly in response to changes in international and domestic laws and regulations. Matters not resolved should be referred to the competent authorities and be followed by the relevant provisions of the Bank.

Article 6. The Policy applies effective upon approval of the Board, and the amendment.