



Tax Strategy



Target audience:	Group Companies	
Department responsible for the document	JSC TBC Bank Tax and Local Reporting Policy Management Unit	
Corporate units engaged in the implementation	JSC TBC Bank Tax Reporting Policy Management Unit CEOs/Management team of Group Companies	
Reviewed by	JSC TBC Bank Tax Reporting Policy Management Unit JSC TBC Bank Legal Department JSC TBC Bank Corporate Secretary	
Approved by	TBC Bank Group PLC Board of Directors	
Effective Date	01 January 2023	
Replaces	N/A	
In the event of any discrepancies between the English version of this Policy and a translated version, the English version shall prevail.		
Version	Date	
Previous Version	1 st	31 December 2022
Current version	2 nd	31 December 2023
Revision frequency	Annual/Ad Hoc	
Accessibility	Public	
Application and alteration	All Group Companies must adhere to this Policy in its entirety. If a Group Company wishes to adopt and modify its content, it may do so as long as modifications do not contravene the intent of this Policy. Otherwise, any changes made require approval from TBC Bank Group PLC Board of Directors.	
Definitions	Terms written in capital letters that have not been defined in this Policy will carry the same meanings as stated in the Glossary approved by TBC Bank Group PLC Board of Directors	

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1. INTRODUCTION

TBC Bank Group PLC is a public limited company registered in England and Wales. **TBC** is listed on the premium segment of the London Stock Exchange and is a FTSE 250 constituent. It is also a member of the MSCI United Kingdom Small Cap Index.

2. COMMITMENT TO COMPLIANCE

At TBC Bank Group PLC, we are committed to maintaining the highest standards of tax compliance by adhering to all applicable tax laws, regulations, and reporting requirements in the jurisdictions where we operate. Our tax compliance approach is built on a foundation of transparency, integrity, and collaboration with tax authorities, while all appropriate tax reports are filled and amounts due are paid on time.

3. OUR APPROACH TO TAX RISK MANAGEMENT

TBC is committed to complying with all applicable tax laws in all jurisdictions where **Group Companies** operate, including in the UK. In particular, we aim to pay the correct amount of tax within applicable time limits.

Our objectives are built around the following key principles:

- transparency;
- responsibility; and
- effective interaction with tax authorities.

We ensure that the management of tax risk and proper governance around our tax operations is supported by appropriately trained personnel who have clear responsibilities to identify, analyse, assess and manage tax risks.

TBC has robust tax risk management procedures in place which include risk review processes, internal assurances and, where necessary, discussions with tax authorities and/or consultations with reputable external advisors.

4. GOVERNANCE

Tax risk governance is part of **TBC's** risk management system. **TBC's** governance structure ensures adequate oversight and accountability, as well as clear segregation of duties. The **Board** has responsibility to set the tone at the top of **TBC** and monitor compliance with the established objectives, while **the Management** of each **Group Company** governs and directs the relevant **Group Company's** daily activities.

The in-house tax team of **TBC** manages its ongoing tax affairs, including in relation to UK taxation. The team reports to the **Chief Financial Officer**, who along with respective executives is also actively involved in the tax governance of **TBC** as well as in assessing any complex tax matters that may arise for UK or other jurisdictions where **TBC** operates.

The Board's Audit Committee has oversight of **TBC's** tax matters to ensure tax risk is monitored, controlled and mitigated in accordance with the relevant laws and **TBC's** objectives.

5. ATTITUDE TOWARD TAX PLANNING

We only undertake tax planning that supports our business objectives and reflects genuine commercial and economic activity.

All transactions and dealings by **TBC** in any jurisdiction (including in the UK) are reviewed from a tax perspective by suitably qualified and experienced individuals. Where there is uncertainty in the application of tax law, we may engage with our external advisers to provide us with necessary support. In addition, we aim to:

- conduct intergroup transactions on an arm's-length basis.
- reject any tax planning that is aggressive and for tax avoidance purposes.

We only look to claim relevant reliefs and incentives where they are available to us under the laws of the relevant jurisdiction.

6. LEVEL OF TAX RISK ACCEPTED

On the basis that **TBC** is a holding entity, it is not exposed to material operational risk and is not engaged in substantial transactions with others (other than as a result of its activities as a public limited company that is listed on the London Stock Exchange). As a result, it does not encounter significant UK tax risk.

On a global level, we seek to ensure that every transaction is evaluated, and any tax risk is managed appropriately and aligned with the objectives of **TBC** and our values. We aim to align our activities with our low risk approach to dealing with tax matters.

7. APPROACH TO DEALING WITH TAX AUTHORITIES

We are committed to being transparent with tax authorities in all jurisdictions (including HM Revenue and Customs) regarding our tax affairs and support open discussions with them. In this regard, we proactively communicate with them and, where possible, aim to obtain advance rulings to confirm any unclear tax issues.

With regard to Group companies tax matters, **TBC** proactively analyses new tax regulations and as soon as the tax proposals or government initiatives become known, and where appropriate seeks external advice and/or engage in discussions with respective countries tax authorities.

This tax strategy applies to **TBC Bank Group PLC** and **Group Companies**, as required under Schedule 19, Finance Act 2016, for the year ended 31 December 2023.