

## **Tax Governance Framework for Credit Agricole Corporate and investment Bank Singapore Branch**

### **Objective and Scope**

Credit Agricole Corporate and Investment Bank Singapore Branch (“CACIB Singapore” or “the Branch”) is committed to maintaining the highest standards of tax governance and compliance in line with our global reputation as a responsible financial institution. This Tax Governance Framework applies to all operations of CACIB Singapore Branch and covers all Singapore taxes and duties including Income Tax, Goods and Services Tax, Stamp Duty, and other applicable taxes.

This framework sets out our approach towards conducting our Singapore tax affairs and satisfies our obligations under the Income Tax Act 1947, Goods and Services Tax Act 1993, and relevant subsidiary legislations.

### **Tax Governance Structure**

#### **Governance**

We aspire to maintain and improve where and when necessary the highest standards of corporate governance through clearly documented controls and processes.

The Branch’s Chief Operating Officer (COO) and Senior Country Officer (SCO), supported by the Finance team, is responsible for overseeing CACIB Singapore Branch tax affairs.

The Chief Financial Officer (CFO) of CACIB Singapore Branch, who is supported by the Regional and Global Tax functions of the Bank, has responsibility for the tax strategy, governance framework, and day to day management of corporate tax matters.

The CACIB Singapore Management Committee has primary responsibility for the corporate governance and strategy of the Singapore Branch and serves as the primary oversight and escalation point for all business and support functions, including tax.

The CFO regularly reports to the CACIB Singapore Management Committee on significant tax matters and risks. For material tax issues, these are further escalated to the Regional and Global Tax functions as appropriate, and ultimately to the CACIB Head Office Executive Management Committee (“Comex”) through established governance channels.

#### **Tax Risk Management**

CACIB Singapore Branch’s approach to tax risk follows the same principles that apply to all other business risks across our organization. CACIB Singapore branch's internal policies and procedures are designed to mitigate material tax risks. Our Finance department's approval

is required for significant new business initiatives and key transactions together with the oversight of the Regional Tax department. For such cases, we carry out and document detailed tax risk assessments and obtain external tax advice and assurance where appropriate.

We maintain a sound system of risk management and internal controls to comply with all tax-related matters, including:

- Preparing and filing local tax returns in a timely and accurate manner, with the assistance of external professional advisors from leading tax and accounting firms.
- Regular review and documentation of tax processes and controls
- Appropriate knowledge and training for staff involved in taxation matters
- Where appropriate for matters involving uncertainty or complexity, we consult with internal subject matter experts, engage external advisors to seek advice and/or consult with the relevant tax authority

The Branch's policies and procedures in relation to Singapore taxation are periodically reviewed and updated whenever material change arise to ensure reliability and completeness of our tax returns and to enable us to effectively mitigate our tax risks.

### **Approach to Tax Planning**

CACIB is committed to being a responsible taxpayer in Singapore and to complying with all relevant tax laws and regulations. We pay tax consistent with applicable tax laws and we only undertake transaction which are underpinned by sound and strong commercial motivation. The Branch should follow the spirit of the law in addition to the letter and adopt a prudent and low-risk approach to optimizing tax efficiency in compliance with prevailing tax legislation. We have therefore zero tolerance toward tax evasion or the facilitation of it by our employees or third parties acting on our behalf.

Our intercompany transactions follow arm's length principles in accordance with Organisation for Economic Co-operation and Development (OECD) guidelines and the Branch monitors and implements the OECD BEPS initiatives in Singapore on an ongoing basis with the assistance of transfer pricing specialists.

### **Level of Tax Risk Acceptance**

Our internal policies and procedures are designed to mitigate material tax risks. Internal systems and controls ensure that, in the event of significant new business initiatives and

other key transactions, the local, Regional and Global Tax functions' oversight and approval is always required. In such cases, we carry out and document detailed tax risk assessments, and where appropriate obtain external tax advice and assurance. Internal policies and procedures, including related controls are also reviewed and updated to reflect changes in the relevant tax laws and regulations.

### **Approach to Dealings with Tax Authorities**

CACIB is committed to a professional, transparent, and constructive relationship with the Inland Revenue Authority of Singapore (IRAS) through open communication and proactive approach to raising significant tax issues on a timely basis, including where necessary seeking clarification on tax law interpretation through full disclosure of relevant facts.

We also demonstrate this commitment through the participation in IRAS's Voluntary Compliance initiatives such as the Assisted Compliance Assurance Programme with respect to GST.

This Tax Governance Framework will be reviewed regularly to ensure it remains current with changes in the business and tax environments and enables us to effectively mitigate our tax risks.