

# **TCS UK TAX STRATEGY**

March 2025

This document is in compliance with Tata Consultancy Services Limited (“TCS”) obligation under para 22(2) Schedule 19 Finance Act 2016 of UK for the financial year ended 31 March 2025.

This document has been approved by the Board of Directors of TCS and applies to TCS including its UK Branch.

## **OVERVIEW**

This document sets out TCS’s approach to the management of UK taxation matters and defines the principles governing the management of such taxes.

## **INTRODUCTION**

TCS, headquartered in India, is a globally recognized service provider in the realm of Information Technology and Information Technology Enabled Services.

In the United Kingdom (‘UK’), TCS operates through a branch and its subsidiaries for providing information technology services (including information technology enabled services) to its customers in the UK local market.

## **OUR APPROACH TO TAX**

TCS’ UK tax strategy is consistent with its overall approach to corporate governance and is aimed at-

- Maintaining high standards to protect the TCS brand and reputation
- Effective, balanced, and active management of tax affairs in alignment with overall business strategy
- Compliance with tax laws, regulations, and reporting & disclosure requirements
- Conducting tax affairs in the spirit and the letter of the law
- No aggressive or contrived tax planning
- Maintaining a transparent relationship with Revenue Authorities.

Our tax policy comprises the following core components:

### **1. Compliance**

TCS is committed to comply with the applicable laws and regulations of relevant countries/jurisdictions in which it operates. In the context of tax, TCS is committed to –

- Pay tax which we are legally obliged to pay as and when it becomes payable
- Comply with relevant tax laws and regulations including transfer pricing regulations
- Utilize tax rulings, agreements, clearances, concession, or reliefs which are provided by the relevant governments.
- Respond to tax enquiries and audits in a transparent and timely manner; and
- Engage with governments, tax authorities and regulators in a constructive manner.

## **2. Transparency**

TCS supports the principle of transparency to increase understanding of tax legislations and build public trust. In all the jurisdictions it operates, TCS believes in reporting to the respective tax authority, information that is complete and accurate, in a timely manner.

## **3. Risk management**

TCS's aim is to ensure that risk is minimized as far as possible, driven by management's focus on avoiding any unexpected impact on performance through crystallization of risks and to avoid any adverse impact on its brand and reputation.

Tax management can involve areas of uncertainty and risk in relation to the interpretation of complex tax laws and nature of compliances required, on which we are required to make judgements. We actively seek to identify, evaluate, monitor, and manage these risks to ensure they remain in line with our objectives. Where there is uncertainty over the tax treatment in any aspect of the business, advice is obtained from external, professional tax advisors to ensure that our risk management decisions are based upon the latest and most relevant interpretations of laws and regulations.

## **4. Relationship with tax authorities**

TCS maintains open and collaborative relationships with governments and tax authorities worldwide. Where appropriate, TCS seeks advance clearance from tax authorities on the proposed tax treatment of transactions, these offer an opportunity for early resolution and minimising the risk of future disputes.

Accordingly, our tax relationship and engagement with HMRC is open and collaborative. The engagements with HMRC involve face to face meetings and dialogue as and when required.

## 5. Governance

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors, and society at large.

## 6. Responsible attitude to arranging tax affairs

In keeping with its Corporate Governance standards, TCS does not engage in aggressive and contrived tax planning or tax structuring for the purpose of gaining tax advantages. TCS aims for compliance with laws, having regard to the spirit as well as the letter of the law; Our management of taxes is primarily driven by the key objective of ensuring compliance and minimizing tax risk.

In accordance with the provisions of the UK Criminal Finance Act 2017, TCS has zero tolerance towards tax evasion and / or facilitation of tax evasion, either by the company in its own right and / or by its employees, vendors, customers, or any other associated person(s)

## About Tata Consultancy Services Ltd. (TCS)

Tata Consultancy Services (TCS) (BSE: 532540, NSE: TCS) is a digital transformation and technology partner of choice for industry-leading organizations worldwide. Since its inception in 1968, TCS has upheld the highest standards of innovation, engineering excellence and customer service.

Rooted in the heritage of the Tata Group, TCS is focused on creating long term value for its clients, its investors, its employees, and the community at large. With a highly skilled workforce of over 607,000 consultants in 55 countries and 180 service delivery centres across the world, the company has been recognized as a top employer in six continents. With the ability to rapidly apply and scale new technologies, the company has built long term partnerships with its clients – helping them emerge as *perpetually adaptive enterprises*. Many of these relationships have endured into decades and navigated every technology cycle, from mainframes in the 1970s to Artificial Intelligence today.

TCS sponsors 15 of the world's most prestigious marathons and endurance events, including TCS New York City Marathon, TCS London Marathon and TCS Sydney Marathon with a focus on promoting health, sustainability, and community empowerment. TCS generated consolidated revenues of US \$29 billion in the fiscal year ended March 31, 2024.

For more information, visit [www.tcs.com](http://www.tcs.com)