



Country-by-Country Reporting

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1. Disclosure

The Capital Requirements (Country-by-Country Reporting) Regulations 2013 (SI 2013 No. 3118) implements part of the European Union's Capital Requirements Directive ("CRDIV"). Credit institutions and investment firms must disclose certain information on a consolidated basis for each country in which the firm has a subsidiary or branch.

Union Bank UK plc is a bank, and this document meets its Country-by-Country Reporting ("CBCR") obligations under the Regulations. The information contained in this document reflects the position as at 31 December 2018

Union Bank UK is required to disclose the following information:

Country (by turnover size)	Turnover (\$m)	Employees*	Profit or loss before tax (\$m)	Corporation tax paid (\$m)	Public subsidies received (\$m)
United Kingdom	13.18	42	0.900	0.198	Nil
Consolidation adjustments	-		-		
Group Total	13.18	42	0.900	0.198	Nil

**the average number of employees on a full time equivalent basis*

Country	Description of Activities	Name of entities
United Kingdom	Corporate, Retail & Commercial Banking Treasury & Trade Finance services	Union Bank UK plc

2. Statement of Directors' Responsibilities

Statement of Directors' Responsibilities in respect of the disclosures in the Country-by-Country Reporting document

The Directors are responsible for preparing the Country-by-Country Reporting document in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013 (SI 2013 No. 3118), and for being satisfied that the report gives a true and fair view.

The Directors are also responsible for preparing the financial statements in accordance with the International Financial Reporting Standards.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and Group and of the profit or loss of the Group for that year.

In preparing those financial statements, the Directors are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.

The Directors are responsible for keeping adequate accounting records that show and explain the Group's transactions, disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

The current Directors, at the date of approval of this report, confirm that they have taken all of the steps that they ought to have taken as Directors to make themselves aware of any information needed by the Company's auditors for the purposes of their audit, and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

3. Audit opinion

Independent reasonable assurance report to the directors of Union Bank UK plc

We have been engaged by the Directors of Union Bank UK plc ("the Company") to conduct a reasonable assurance engagement relating to the attached Country-by-Country Reporting ("CBCR") schedule for the year ended 31 December 2018.

In our opinion, the CBCR schedule for the year ended 31 December 2018 has been prepared, in all material respects, in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Respective responsibilities of the directors and the assurance provider

The Directors are responsible for preparing the CBCR disclosures in the schedule in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Our responsibility is to express a conclusion on the CBCR schedule based on our procedures. We conducted our engagement in accordance with International Standard on Assurance Engagements ("ISAE") 3000 Assurance engagements other than audits or reviews of historical financial information, issued by the International Auditing and Assurance Standards Board (IAASB), in order to conclude whether the CBCR disclosures in the schedule have been prepared, in all material respects, in accordance with the Capital Requirements (Country-by-Country Reporting) Regulations 2013.

Our engagement provides reasonable assurance as defined in ISAE 3000. Reasonable assurance means a high but not absolute level of assurance. Absolute assurance is very rarely attainable as a result of factors such as the following: the use of selective testing, the inherent limitations of internal control, the fact that much of the evidence available to us is persuasive rather than conclusive and the use of judgement in gathering and evaluating evidence and forming conclusions based on that evidence.

Our procedures consisted primarily of:

- Obtaining an understanding of the Company's business, including the design and implementation of controls relevant to the capturing of the information relevant to producing the subject matter including discussions with management
- Considering the risk of material misstatement of the subject matter
- Vouching the disclosures in the schedule to supporting information including payroll records, management accounts, audited financial statements and corporation tax returns.

Basis of preparation and restriction of distribution

Our report is made solely to the Company's directors in accordance with our engagement letter dated 16 Nov 2018. The schedule is prepared to assist the directors to meet the requirements of the Capital Requirements (Country-by-Country Reporting) Regulations 2013. As a result the schedule may not be suitable for another purpose. Our work has been undertaken so that we might state to the Company's directors those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body for our work, this report, or for the conclusions we have formed.



Daniel Taylor (Senior Statutory Auditor)
For and on behalf of BDO LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
1st July 2019