Corporate Tax Policy

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1. PURPOSE

Tech Mahindra Limited ('TML') seeks to be a good corporate citizen by being transparent, accountable, and cooperating constructively with Tax Authorities in all countries where it has a presence.

The Company's responsible tax strategy consists of ensuring compliance with relevant tax laws and regulations applicable to the company in India and in all the countries that it operates thus avoiding tax risks and inefficiencies in the implementation of business decisions across its business centres world-wide.

2. SCOPE

This policy is applicable to businesses at all TML and its Subsidiary locations across the globe.

3. TAX PRACTICES

TML and its subsidiaries (including, affiliates) take a responsible approach to the management and control of taxation issues and ensure compliance with all our tax disclosures and filing obligations. The Company aims to achieve transparency with tax authorities by focusing on trust and compliance with best practices and standards.

The Audit Committee of the Board is responsible for the review and approval of the Tax policy. The Chief Financial Officer (CFO) along with the taxation team of the company is responsible for the implementation of the Tax policy. The CFO briefs the Audit committee of the Board on all tax issues and the Chairman of the Audit Committee updates the Board on Tax compliance and practices.

TML has been continuously working towards and is committed to:

i. **Compliance**

- Observe, comply, and disclose all relevant tax details according to the tax rules in the various countries and territories that it operates.
- Make decisions on tax matters based on a reasonable interpretation of applicable legal provisions of the country in which the company is doing business.

ii. **Transfer Pricing**

TML ensures that all transfer pricing computations are based on the well accepted 'arm's-length' principle that are effective within the Tech Mahindra Group across tax jurisdictions.

In the scenario of Base Erosion and Profit Shifting (BEPS), Tech Mahindra follows the substance over form philosophy with the following objectives:

- The more core functions, risks and assets allocated to an intragroup party, the higher its profit potential should be according to the arm's length principle.
- Contribution analysis performed to determine whether the economic reality is consistent with the legal reality.

TML is in compliance with Action 13 of BEPS Country-by-Country reporting (CbCr).

iii. **Accountability**

- Does not engage in artificial tax arrangements and have open and transparent tax structures.

- All tax optimization measures analyzed and implemented if they support the business and adhere with commercial and economic activities.
- Aligns tax strategy with business and commercial strategy.
- Evaluate tax planning opportunities within clear risk parameters.
- Decline to create or acquire companies which are resident in tax havens.
- Train personnel with responsibilities for tax matters to ensure that they have the skills, technical expertise, and knowledge to effectively fulfil their tax responsibilities.

iv. Relationship with Tax authorities

- Strive for good professional and transparent relationships with the tax authorities.
- Follow the recommendations of good tax practices and codes implemented in countries in which the company does business.
- Cooperate and work positively, pro-actively and transparently with tax authorities.
- Strengthen relationships with governments and tax authorities.
- Being compliant with standards on tax accounting and disclosures with a policy that not only encourages transparency with investors, auditors, and tax authorities, but also aims to build trust with our stakeholders and society.

v. Transparency

- Pay taxes at the appropriate times and provide all relevant information requested by the appropriate tax authority without delay in order to accurately establish the company's tax liabilities.
- Provide significant tax-related information and documents that may be requested by the competent tax authorities.

vi. Preventing and reducing significant tax risks

- Tax risks are much more likely to arise in cross-border situations given the multitude of tax jurisdictions as well as interpretational differences between different tax authorities.
- Decisions are taken in consultation with higher management, in-house tax experts and/ or external consultants/ advisors in order to identify, monitor and mitigate tax issues on a regular basis.