

Visa – UK tax strategy

Introduction

Visa is a global payments technology company that enables fast, secure and reliable electronic payments across more than 200 countries and territories. We facilitate global commerce through the transfer of value and information among a global network of consumers, merchants, financial institutions, businesses, strategic partners, and government entities.

Paragraph 16(2), Schedule 19, Finance Act 2016 requires Visa to set out the tax strategy of its UK companies and this is detailed below. This strategy covers all taxes and applies from the date of publication until it is superseded.

Risk Management and Governance Arrangements

Risk Management is a core discipline of Visa. Visa uses an Enterprise Risk Management Framework to identify, assess, measure, report, and manage all types of tax risk, and to align risk management with its pre-defined business strategy and risk appetite. Because Visa maintains a network of relationships that is the heart of our business, we rely in substantial part on the strength of our brand and on our reputation as a trustworthy and reliable partner. Accordingly, Visa adopts a conservative appetite towards risks concerning our reputation for integrity and the strength of our brand.

Visa maintains a Code of Business Conduct and Ethics. Visa's Code reflects our commitment to the highest ethical standards.

UK tax policy and compliance with tax legislation is covered by both Visa's Enterprise Risk Management Framework and its Code of Business Conduct and Ethics. UK tax policy ultimately resides with the Board of Directors of the respective company, who are supported by Visa's internal tax function. The Directors of each Visa legal entity have a duty to ensure that risk is managed and that appropriate governance procedures are in place for their respective entities. The Senior Accounting Officer is responsible for signing off the day-to-day management of UK tax risks.

Visa seeks to structure its affairs in the UK based on sound commercial principles and in accordance with relevant tax legislation. Where there are areas of uncertainty, appropriate external professional advisors are engaged to provide specialist advice.

Tax planning

Tax planning decisions are made in a manner that is consistent with Visa's commercial business and economic activities and with Visa's Code of Business Conduct and Ethics. Appropriate professional advice is sought on a transaction-by-transaction basis from independent reputable firms who are not our auditor. This enables us to evaluate the tax implications and risks related to potential transactions to ensure that we stay within our tax risk appetite.

Intra-group transactions are entered into on an arm's length basis that reflect the business and commercial realities of the transaction and adhere to the relevant guidance issued by the Organisation for Economic Co-operation and Development (OECD) with regard to international tax matters.

Tax risk

Visa's conservative appetite to risk causes us to aim to minimise the level of risk in relation to UK taxation. Visa is not prepared to accept a level of risk that will expose it to reputational harm.

To ensure that tax risk is managed appropriately, strong internal policies and processes, including our Code of Business Conduct and Ethics, are in place. Everyone working for, or with, Visa shares a responsibility to follow our Code and to work with integrity. Visa regularly seeks professional advice from independent reputable external advisors to assist with the assessment of tax risk regarding a particular transaction or issue.

Relationship with Her Majesty's Revenue & Customs (HMRC)

Visa seeks to have an open, honest, transparent, and constructive relationship with HMRC, through regular communication. Visa commits to make full and accurate disclosures in tax returns and in correspondence with HMRC.

Where there is a difference of opinion between HMRC and Visa on a particular tax matter, Visa seeks to work collaboratively with HMRC in order to resolve disputes and to achieve early agreement. Visa's view is that a strong relationship with HMRC is an effective way to reduce tax risk.

Coverage

Unless stated otherwise, references to 'Visa' above mean all UK companies listed below.

1. CyberSource Limited
2. CyberSource NI Limited
3. Fraedom Holdings Limited
4. Fraedom UK Limited
5. Macsco 90 Limited
6. TrialPay Limited
7. Visa CEMEA Holdings Limited
8. Visa CEMEA (UK) Limited
9. Visa EU Limited *
10. Visa Europe Limited *
11. Visa Europe Management Services Limited *
12. Visa Europe Services LLC – UK branch *
13. Visa International Holdings Limited
14. Visa Management Limited *

* These companies form part of the Visa Europe sub-group.

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