

## **Marshall Wace Tax Strategy Statement**

### **Purpose and Scope**

This strategy statement has been prepared in accordance with Schedule 19 Finance Act 2016 and provides an overview of the Marshall Wace Group's policy and approach to its tax affairs.

References to 'tax' or 'taxes' refer to all UK taxes and duties as provided in Schedule 19 of the Finance Act 2016 which include Income Tax, Corporation Tax, PAYE, NIC, and VAT.

### **Overview of Tax Policy**

We are committed to reporting and paying the right amount of tax, in the right jurisdictions, at the right time as required by law, policy and custom.

This approach is reflective of the personal philosophies of the founding partners, to nurture an ethical and principled culture and to uphold our reputation amongst investors and other stakeholders, as a responsible, trustworthy, transparent and law-abiding organisation.

### **Governance, management and organisation in relation to UK taxation**

Ultimate responsibility for our tax strategy rests with the Management Committee of Marshall Wace. Responsibility for implementing the strategy and managing tax risk resides with the Group Chief Finance Officer and Finance Director. Day to day responsibility for these areas sits with the Head of Tax.

Senior management understands the importance of tax compliance, and ensure that, where appropriate, tax is 'in the room' when significant or complex business decisions are made.

#### *Tax Function*

The tax department is staffed with qualified professionals based in London and New York.

Where appropriate, training and supervision is provided to any non-tax personnel involved in functions or activities that could have a tax impact (e.g. HR, Investor Relations, Finance, Operations).

#### *External advisors*

We outsource some areas of tax compliance to trusted top tier advisers, with oversight by the tax department.

As and when appropriate, we also obtain tax advice from external advisors to ensure we are applying the most robust and up to date analysis on complex tax matters and to issues of major business impact.

Responsibility for the appointment of an external tax advisor sits with the Head of Tax. All terms of engagement must adhere to the principles and spirit of the Marshall Wace tax strategy.

### **Risk Management**

We actively seek to reduce tax risks alongside the management of other business risks faced by the Group. We do so by ensuring due care and focused attention is applied to all areas which could impact compliance with our statutory tax obligations.

The Tax team take the lead in identifying, managing and monitoring tax risks across the Group. Monitoring of key tax risks and issues is performed on an ongoing basis. If there is a material issue, matters are escalated to the CFO and if necessary, further to the Board or Management Committee of

the relevant entity as appropriate. In certain cases it may also be appropriate to record the identified risk on the Operational Risk Register which is reviewed monthly by the Operating Committee

As previously described, we seek advice and support from specialist third party tax advisors as necessary to ensure continuous tax risk mitigation.

We do not regard tax risk management as solely the domain of the tax team – far from it. Business area managers throughout the organisation are sensitive to tax compliance and ensure that all new issues that could have tax risk associated are directed as appropriate for review and consideration.

We are committed to preventing the criminal offence of facilitation of third party tax evasion. We comply with the relevant legislation and regulation in this area.

### **Attitude to tax planning**

Our attitude towards tax planning is consistent with our tax strategy and wider business philosophy: we seek to comply fully and transparently with our regulatory and compliance obligations and to maintain our reputation as a responsible, and law abiding tax payer.

Decisions related to tax in the context of how transactions should be undertaken, or how the Group should be organised and managed, are made with a view to commercial necessity and meeting our overarching goal of reporting and paying the correct amount of tax.

We do not interpret tax laws in a way that we believe is contrary to their intention, and we do not participate in tax avoidance products.

We follow the terms of relevant OECD guidelines for international tax matters, including transfer pricing.

We may utilise available tax reliefs and incentives where appropriate and in a manner which is consistent with the government's policy objectives.

### **Relationship with HMRC**

We seek to maintain a positive, open and constructive relationship with HMRC. This is achieved through regular catch-up meetings and pro-active alerting to our Customer Compliance Manager of business changes or topics of interest. All submissions of tax computations to HMRC contain appropriate disclosure of information.