



TP ICAP plc

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Group Tax Strategy

1.1. Introduction

- 1.1.1. This document, approved by TP ICAP plc's Board of Directors, sets out the global policy and approach to conducting the tax affairs and dealing with tax risk in the TP ICAP group of companies ('the Group').
- 1.1.2. This strategy applies from the date of publication until it is superseded. The document will be reviewed periodically by the Group Tax team, and any amendments will be approved by the Board.
- 1.1.3. This Group Tax Strategy meets the requirements set out in Schedule 19 of the Finance Act 2016 for Large Businesses in the UK to publish their tax strategy in respect of the current financial year. It supersedes the Group Tax Strategy published in the preceding financial year.

1.2. Strategy

- 1.2.1. The Group is committed to complying with tax laws in a responsible manner and to having open and constructive relationships with tax authorities wherever we operate. This includes:
- Ensuring the tax strategy is consistent with the Group's overall strategy, its approach to risk, and the Group's core values of Honesty, Integrity, Respect and Excellence;
 - Applying professional diligence and care in the management of all risks associated with tax matters, and ensuring appropriate governance and assurance procedures are in place;
 - Paying the right amount of tax required under the laws and regulations of the jurisdictions in which the Group operates; and
 - Fostering constructive, professional and transparent relationships with tax authorities.

1.3. Tax Risk Management and Governance

- 1.3.1. The Group's tax risk appetite is low, and is based on professional judgement obtained in-house and through specialist guidance from advisers, where appropriate.
- 1.3.2. Responsibility for tax strategy, policies and management of tax risk ultimately rests with the Group's Chief Financial Officer. Day-to-day management of the Group's tax affairs is delegated to the Group Head of Tax. Regular reports are made to the Global Executive Committee, the Audit Committee and the Board in relation to tax matters. The Board and



Global Executive Committee ensure that the Group's tax strategy is one of the factors considered in all significant business decisions taken.

- 1.3.3. The Group operates a system of tax risk assessment and controls as a component of the overall financial reporting control framework. A broad range of risks are considered in reaching any decisions. Key tax risks are considered to be:
- Transactional risk
 - Compliance and reporting risk
 - Reputational risk
- 1.3.4. The Group seeks to reduce tax risk by ensuring that reasonable care is applied in relation to all processes which could materially affect compliance with its tax obligations. Local Finance teams are staffed with appropriately qualified individuals who account for tax under the financial reporting control framework. Where potential risks are identified Group Tax will review and advise on the appropriate steps to mitigate the risk.
- 1.3.5. The Group Tax team is staffed with qualified tax professionals who review relevant tax processes to identify key risks and mitigating controls in place. These key risks are monitored for business and legislative changes, and processes or controls are updated when required.

1.4. Attitude Toward Tax Planning

- 1.4.1. The Group seeks to fully comply with its statutory obligations. The Group does not engage in artificial transactions which have the sole purpose of obtaining a tax benefit. In the course of the Group's commercial activities there may be choices as to how business is undertaken, which may result in different tax outcomes. In such cases the Group may seek to carry out its business in a manner which produces a lower tax cost than the alternative approach(es), provided that results in an appropriate application of tax law consistent with the Group Tax Strategy set out in this document.
- 1.4.2. Tax incentives and exemptions are sometimes implemented by governments and fiscal authorities in order to support investment, employment and economic development. Where they exist the Group seeks to apply them in the manner intended.
- 1.4.3. The Group adheres to relevant tax law and seeks to minimise the risk of uncertainty or disputes. Where there is uncertainty as to the application or interpretation of tax law, appropriate written advice may be taken from external advisers or tax authority clearance obtained to support the decision-making process.

1.5. Working with Tax Authorities

- 1.5.1 The Group is committed to openness and transparency in dealing with tax authorities wherever we operate around the world. Dealings will be conducted in a collaborative, courteous and timely manner. The Group aims to strive for early agreement on disputed matters, and to achieve certainty wherever possible.