

Man Group plc Tax Strategy

Man Group plc ('Man' or the 'Group') commits to act in a way that maintains the trust of our clients, staff, and other stakeholders including HM Revenue & Customs ('HMRC') in the UK and the tax authorities in the other countries in which the Group operates.

Purpose

The purpose of the Tax Strategy is to set out the high-level principles directing the tax affairs of the Group. It is applicable to Man Group Plc and its subsidiaries, as well as all of the Group's employees, whether engaged directly or indirectly in the management and administration of tax, and the investment strategies that Man provides.

Man regards the publication of this tax strategy as complying with the Group's obligations under paragraph 16(2) of Schedule 19 of the Finance Act 2016 to publish the Group's tax strategy before 31 December 2022.

Principles

The Board has established the following fundamental principles for the management of taxes within the Group, based on an understanding of the needs of our stakeholders and in line with our corporate governance procedures, so that the Group manages its tax affairs to provide responsible and sustainable support to our business strategy:

- **Governance and Accountability** - The Board understands its duties in terms of tax and its wider corporate responsibilities and puts strong emphasis on meeting the objectives set out in this Strategy.
- **Compliance** - We comply with tax law and practice in all of the territories in which we operate and disclose all relevant facts and circumstances to the tax authorities.
- **Planning** – Where we are required to make decisions on how we structure our commercial activities we will consider, among other commercial factors, the tax laws of the countries within which we operate with a view to maximising value on a sustainable basis for our shareholders. Any tax planning undertaken will have commercial and economic substance and will have regard to the technical analysis, financial impact, any potential reputational impact on our business and the internal resource commitment.
- **Tax risk management** - Given the scale and international nature of our business tax risks are an inherent part of our day to day operations. In line with the Group's risk management approach, we proactively seek to identify, evaluate, manage and monitor tax risks to ensure they remain in line with the Group's risk appetite.
- **Tax authority relationships & regulatory development** - We engage with tax authorities, including HMRC, with honesty, integrity, respect and fairness and in a spirit of co-operative compliance. We will seek to resolve any disputed matters through pro-active and transparent discussions. Where it is necessary to clarify the appropriate interpretation of relevant tax law, and where it supports the Group's Tax Strategy, we will take appropriate action in line with the relevant local requirements to resolve any area where an agreement cannot be reached.

Governance and Accountability

The principles and control objectives set out in this Tax Strategy have been reviewed and approved, and are therefore owned by the Board of Man Group plc ('The Board'). The Board understands its duties in terms of tax and its wider corporate responsibilities, and puts strong emphasis on meeting the objectives set out in this Strategy.

Board level ownership of taxes has been delegated to the Chief Financial Officer ('CFO') who has in turn delegated the global oversight of taxes to the Global Head of Tax.

In managing tax risks, the Tax department ('Tax'), the business units and operational functions work closely together.

Given the specialist nature of tax, the essence of this collaboration is that the business units and functions ensure that all activity with the potential to give rise to tax risk is brought to the attention of Tax for review, assessment and approval, and that operational and business processes for which they are responsible are

operated in line with the policies and standards issued by Tax. For its part, Tax provides the necessary support and expertise to the business units and functions to allow them to discharge their responsibilities for tax risk.

The provisions of this strategy are mandatory and any deviations from these provisions must be escalated to the Global Head of Tax.

Compliance

As a consequence of our commercial activities in the UK and elsewhere, the Group has a large volume of tax compliance obligations, including but not limited to: filing tax returns, paying liabilities and making claims and elections. We comply with tax law and practice in all of the territories in which we operate and disclose all relevant facts and circumstances to the tax authorities.

The following control objectives should apply to tax compliance activities:

- 1) Tax returns must be completed accurately and correctly, based on financial and other data that is accurate and complete. Appropriate validation, reconciliation and understanding will be achieved by the preparation and review of suitably qualified staff and service providers.
- 2) Tax returns must be prepared and submitted in a timely manner based on relevant tax legislation, guidance, case law and practice.
- 3) Tax payments must be made on time and the amount of the payment must be compliant with the relevant tax authority's prescribed method.
- 4) Appropriate documentation must be established and maintained to support compliance obligations, including:
 - o rationale for key judgements and documentation setting out the end to end compliance process for each return,
 - o identifying key risks and their respective controls.
- 5) Where compliance errors are identified post-filing, appropriate disclosure must be made to the tax authority with any necessary resubmissions of returns and/or additional payments or reclaims.

Planning

Our changing commercial strategies and the evolving regulatory environment in which we operate regularly give rise to choices as to how we structure our commercial arrangements. Where we are required to make decisions on how we structure our commercial activities we will consider – among other factors – the tax laws of the countries within which we operate with a view to maximising value on a sustainable basis for our shareholders. Any tax planning undertaken will have commercial and economic substance and will have regard to the considerations below.

When evaluating the tax aspects of a planning decision, the following criteria will be considered:

- Commercial purpose;
- Reputational impact;
- Technical analysis;
- Financial impact;
- Internal resource commitment.

Man works closely with external tax advisers to provide the Group with the appropriate skills and resources to meet its objectives under the Tax Strategy, and where there is complexity, uncertainty or the impact of a transaction or arrangement could be material in financial or reputational terms, to ensure the Group understands and meets its tax obligations and can communicate in an open manner with the relevant tax authorities.

Man does not tolerate tax evasion or the facilitation thereof by members of its workforce or persons associated with the organisation.

Tax Risk Management

Given the scale of our business and volume of tax obligations, tax risks will arise from the operations of the Group.

These can be grouped under the following headings:

- **Tax compliance and reporting risks**, which cover risks associated with compliance failures such as submission of late or inaccurate returns, the failure to submit claims and elections on time or where finance or operational systems and processes are not sufficiently robust to support tax compliance and reporting requirements.
- **Transactional risks**, which arise where transactions are carried out or actions are taken without appropriate consideration of the potential tax consequences or where advice taken is not correctly implemented.
- **Reputational risk** looks beyond financial risks to the wider impact tax risk may have on our relationships with our stakeholders, including shareholders, clients, tax authorities and the general public.

In line with the Group's risk management approach, we pro-actively seek to identify, evaluate, manage and monitor tax risks to ensure they remain in line with the Group's risk appetite.

Tax risk management is overseen by the tax sub-committees of the Group's Risk and Finance Committee (RAF). All tax risks are considered and recorded in a quarterly review cycle in line with Group's risk management processes, monitored by RAF through its sub-committees. Any risks identified outside the quarterly process must be escalated to the Global Head of Tax and, where appropriate through the Group's risk management processes.

It is recognised that there are some circumstances where the Group and the relevant tax authority disagree on an interpretation of the tax laws and regulations. Man will operate in an open and transparent way with tax authorities where it does differ in opinion and work with the authority to discuss and, where possible, agree a final position on all material issues impacting the Group.

The Group deploys sufficient resources to ensure that tax obligations are managed appropriately in accordance with this document. This will include employing tax, finance and other professionals with sufficient expertise, provided with the appropriate training and performance monitoring.

Relationship with Tax Authorities & Regulatory Development

Our tax obligations involve engagement with tax authorities in the various jurisdictions in which we operate. All such engagements should be undertaken in line with the following control objectives:

- We conduct our dealings with the relevant tax authorities with honesty, integrity, respect and fairness and in a spirit of co-operative compliance.
- We seek to meet and communicate with local tax authorities on a regular basis to enable them to understand our business as it changes, seeking early guidance on any areas of complexity.
- We disclose all errors and misstatements in accordance with local tax requirements.
- The Global Head of Tax is primarily responsible for corresponding with the tax authorities with the aim of minimising any contention that could potentially arise.
- Where possible we seek to swiftly resolve any disputed matters through pro-active and transparent discussion and negotiation.
- The Group is prepared to follow the required formal procedures where it disagrees with a ruling or decision provided by tax authorities where it feels it has an appropriate level of confidence in the technical position taken.

Where we believe it might affect our business we will engage constructively in the debate regarding the development of domestic and international tax policy.