

Russell Investments UK Tax Strategy

Introduction

This paper sets out the tax strategy of Russell Investments UK Lower-Tier Holdco Limited and its wholly owned subsidiaries (the “UK Group”). Russell Investments UK Lower-Tier Holdco Limited regards the publication of this tax strategy as complying with the duty under paragraph 16(2) of Schedule 19 of the Finance Act 2016.

The strategy was approved by the Russell Investments UK Lower-Tier Holdco Limited Board of Directors on 30 September 2022. It will be reviewed and updated as appropriate on an annual basis.

How the UK Group manages tax risks

Our approach to risk management and governance is based on the principles of reasonable care and ensuring we comply with local laws, regulations and guidance under the regulatory environment of our industry. The UK Group’s finance team is responsible for on-going application of tax governance with strong internal controls which identify, assess and manage tax risks and account for them appropriately. Russell Investment’s U.S. tax department provides oversight and support and ensures tax risks are managed in a manner consistent with global policies. External advice is typically sought in relation to tax planning or areas of complexity and uncertainty to support the UK Group in complying with this strategy.

Our tax risks

We seek to minimize tax risk, uncertainty and disputes through: (a) submitting all tax returns on a timely basis; (b) providing transparency about tax filing positions we have taken with an adequate supporting audit trail and sign-off process; (c) maintaining tax account arrangements which comply with the Senior Accounting Officer (SAO) provision in the UK; and (d) ensuring the tax team has the resources, skills and experience to manage tax risks and compliance issues.

Attitude towards tax planning

We are committed to observing all applicable tax laws, rules, regulations, and reporting and disclosure requirements. We will not engage in artificial transactions the sole purpose of which is to reduce UK tax. However, we will consider transactions that give rise to UK tax efficiencies assuming this is aligned to commercial objectives. We follow the terms of the UK’s Double Taxation Treaties and relevant OECD guidelines for international tax matters. We will seek external advice, when necessary, to ensure we are complying with this tax planning strategy.

Approach towards dealings with HMRC

We will comply with all relevant legal and tax filing requirements. We have built and sustained a relationship with HMRC that is constructive and based on mutual respect. From time to time, our views on the appropriate tax treatment in any given case may differ from those of HMRC. When such instances arise, we work collaboratively wherever possible to resolve disputes and to achieve early agreement and certainty.