



UK TAX STRATEGY

Link Market Services (EMEA) Limited, its wholly owned subsidiaries, and Orient Capital Limited

1. Background

This UK tax strategy has been prepared in accordance with Link Group's Tax Risk Governance Policy (<https://www.linkgroup.com/docs/LG-Tax-Risk-Governance-Policy.pdf>) and, as such, is implemented with the consent of the Link Group Board of Directors. This strategy is managed by Link Group's Tax function and is subject to periodic review.

The UK tax strategy forms part of the broader Link Group five strategic pillars of:

- Growing with our clients in attractive markets
- Product and service innovation
- Client, product and regional expansions
- Integration and efficiency benefits
- Identifying adjacent market opportunities

2. Managing tax risks

As outlined in the Tax Risk Governance Policy, Link Group is committed to transparently complying with and disclosing all its tax obligations and payments made. Further, Link Group focuses on integrity in compliance and reporting and engaging with tax authorities.

The Tax Risk Governance Policy outlines roles and responsibilities in respect to tax risk management. As part of Management, the Link Group Head of Tax is responsible for implementing the tax strategy and developing the procedures to support, maintain and ensure the Tax function has the necessary skills to implement the strategy. The Link Group Head of Tax reports to the Chief Financial Officer – EMEA and Group Financial Controller, who both report to the Link Group Chief Financial Officer.

The UK tax strategy is managed through:

- Financial and operational reporting which identifies key risks, with tax risks to be mitigated and signed off by the Link Group Head of Tax
- All tax filings are reviewed (if not prepared) by the Tax function prior to lodgment, undergoing a four-eyes review to ensure accuracy
- Providing timely, relevant and accurate tax advice to business units/divisions; and
- All projects, significant business transactions, entity incorporation requests and financial system configurations require approval from the Link Group Head of Tax and all material matters are reviewed by Link Group Chief Financial Officer.

Link Group uses external advisors on a selective basis to review tax filings, advise on operational matters and complete due diligence on acquisitions, in accordance with established procedures and in consultation with the Chief Financial Officer - EMEA and the Link Group Chief Financial Officer. Further, tax is discussed in local risk committees and Link Group's Risk and Audit Committee.

3. Tax risk appetite

Link Group has a low risk appetite in respect to taxation in accordance with the Tax Risk Governance Policy and does not operate complex tax structures. Provided the tax risk of a transaction is within the low tax risk appetite, the Link Group seeks clarity within the law and evaluates the potential tax outcomes of operations or corporate group activities. Where tax risks are identified, mitigation to achieve a low risk outcome is advised and this forms part of the Group's reporting to the Risk and Audit Committee.

4. Tax planning

The Tax Risk Governance Policy states that Link Group does not sanction or support any activities which seek to aggressively structure tax affairs. Link Group specifically:

1. Does not artificially shift and/or accumulate profits in low tax jurisdictions.
2. Does not use the secrecy rules of jurisdictions to hide assets or income.
3. Pays tax where the underlying economic activity occurs.
4. Applies carried forward tax losses where tax legislation enables Link Group to do so.

Link Group does implement efficient tax planning to support the business and reflect the commercial and economic activity, in accordance with the low tax risk appetite.

Further, Link Group does not sanction any activities which directly or indirectly facilitate or enable the evasion or aggressive avoidance of tax by its clients, employees, contractors, suppliers or other associated parties with whom it does business.

5. Relationships with tax authorities

Link Group maintains open, clear, honest and positive working relationships with tax authorities and regulators around the world. All correspondence with tax authorities is handled by Link Group Tax function or qualified tax personnel in operating units/ divisions of the Link Group (e.g. Client taxation teams).

All tax authority audits are reported to the Chief Financial Officer – EMEA, the Link Group Head of Tax or the Link Group Chief Financial Officer. The relevant local board of directors and local risk committees are informed of tax audits. When necessary, particularly for material correspondence, the Link Group Risk and Audit Committee will also be advised.

The UK tax strategy has been prepared to comply with paragraph 19(2) Schedule 19 of the Finance Act 2019 and applies for the year ended 30 June 2019.