

# JUPITER 2024 GROUP TAX STRATEGY

Jupiter Fund Management PLC



We seek to conduct our tax affairs in a straightforward manner, **paying what we owe, at the right time, and in the right place** in order to comply with our tax obligations worldwide. Our corporate structure and operating model ensure that our tax affairs are easy to explain and transparent to the tax authorities.

This tax strategy applies to all companies within the Jupiter Fund Management plc group (“Group”) and other relationships with our clients. We regard the publication of this strategy as complying with our duty under paragraph 16(2) of Schedule 19 of the Finance Act 2016 to publish the Group tax strategy in each current financial year.

This Group tax strategy was approved by the Jupiter Fund Management Plc Board on 9 October 2024.

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## OUR TAX STRATEGY

**In seeking to manage our tax affairs in a straightforward manner, we are committed to acting with integrity in all global tax matters. Implementing our strategy in this manner ensures that we are able to pay what we owe at the right time, and in the right place, in order to comply with our worldwide tax obligations.**

This tax strategy is approved annually by the Board of Jupiter Fund Management plc (“the Board”) and is shared with HM Revenue & Customs (“HMRC”) in line with our commitment to conduct our relationship with tax authorities in an open and transparent manner. We ensure this tax strategy, and the procedures and controls which underpin our approach, are appropriate, monitored and fully implemented.

Responsibility for the tax strategy, governance framework and management of tax risk ultimately resides with the Chief Financial and Operating Officer (“CFOO”). Day to day responsibility for each of these areas sits with the Head of Tax, who has a direct reporting line to the CFOO and who manages the Group Tax function (“Group Tax”). Throughout the year ended 31 December 2023, Jupiter effectively complied with the approved tax strategy.

PAYING WHAT WE OWE	GENERALLY UNDERSTOOD INTERPRETATION	PAYING AT THE RIGHT TIME
<p>Tax legislation is complex and often dynamic when there are multiple jurisdictions involved. Where there is a potential lack of certainty of interpretation, we follow the generally understood interpretation.</p>	<p>This is the commonly accepted view of a piece of tax law across the tax community, being tax advisors, taxpayers and tax authorities.</p>	<p>We adhere to the statutory payment deadlines to the fullest extent possible. Where uncertain or tight time frames exist we endeavour to make pre payments if appropriate, to minimise timing failures</p>

### We fully endorse the B Team Responsible Tax Principles as to:

<p><b>1. Accountability and Governance</b></p>	<p>Tax management is a core part of our corporate and social responsibility and is overseen by the Board.</p>
<p><b>2. Compliance</b></p>	<p>We comply with the tax legislation in each of the countries in which we operate and pay the right amount of tax at the right time.</p>
<p><b>3. Business structure</b></p>	<p>We will only use business structures that are driven by commercial considerations, aligned with our business activity and have genuine substance.</p>
<p><b>4. Relationships with authorities</b></p>	<p>We seek, wherever possible, to develop relationships with tax authorities, based on mutual respect, transparency and trust.</p>
<p><b>5. Seeking and accepting tax incentives</b></p>	<p>Where we claim tax incentives offered by government authorities, we seek to ensure that they are transparent and consistent with statutory or regulatory frameworks.</p>
<p><b>6. Supporting effective tax systems</b></p>	<p>We engage constructively in national and international dialogue with governments, business groups and civil society to support the development of effective tax systems, legislation and administration.</p>
<p><b>7. Transparency</b></p>	<p>We provide regular information to our stakeholders, including investors, policy makers, employees, civil society and the general public, about our approach to tax and taxes paid.</p>

Jupiter is accredited with the Fair Tax Mark. This is a clear indication of our commitment to act responsibly in our tax conduct and how we seek transparency of our tax affairs for the benefit of all our stakeholders.

## GOVERNANCE AND MANAGEMENT OF TAX RISK

	TAX COMPLIANCE AND REPORTING RISKS	TRANSACTIONAL RISK	REPUTATIONAL RISK
<b>Definition</b>	Tax compliance and reporting risks 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 arise where transactions are carried out with external parties or within the Jupiter Group, or actions are taken without appropriate or sufficient consideration of the potential tax consequences of the transaction or, where advice has been taken, it 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. It encompasses the potential loss of financial capital, social capital or market share from damage to the Group's reputation. An event which may be small in financial terms may have a big impact on a group's reputation due to external pressure from society.
<b>Risk appetite</b>	We have no appetite for these risks and maintain a control environment as such. However, we do recognise that very occasionally human error will occur and therefore have a reasonable tolerance for this.	We have no appetite for adopting an aggressive tax position that is deemed to be greatly contentious. Nor do we wish to expose ourselves to material unexpected tax charges.	We are proud of our reputation both domestically and internationally. We believe we make a positive contribution to society and have no appetite to taint our reputation or to be viewed as engaging in aggressive tax practices.
<b>Management of risk</b>	We manage these risks by maintaining an appropriate control environment with secondary reviews and completeness checks where appropriate. Tax is part of the wider risk framework of the Group and is subject to internal audit.	Group Tax have an active role in the approval process of transactions. No remuneration is linked to a monetary tax metric.	Our tax strategy underpins our management of reputational risk.

The tax strategy aligns to the Group risk and control framework in such a way as to ensure that key risk areas are monitored and material risks minimised. Monitoring of key tax risks and issues is performed on an ongoing basis. If there is a material issue, matters are escalated to the CFOO and if necessary, further to the Board's Audit and Risk Committee (the "Committee"). There have been no material matters brought to the attention of the Committee in the last period.

As part of the of the tax risk management framework, adherence to the Strategy is assessed and affirmed each year to the Committee. In addition, the framework is reviewed annually by the Committee and then the Group tax strategy is approved annually by the Board.

Part of this tax risk management process is that there are controls residing across the business. Management of respective areas are charged with monitoring specific tax risks relevant to their areas. In addition, Group Risk and Group Internal Audit have oversight of those controls relating to key tax risks.

Group Tax consists of a team of tax professionals based in the London office. The team works closely with HMRC, industry and policy steering bodies to ensure the Group is at the forefront of new tax requirements and applicable legislative changes.

## GOVERNANCE AND MANAGEMENT OF TAX RISK (CONTINUED)

In addition to oversight of Group tax risk the team perform the following:

provide advice on tax related issues in the business

undertake or manage global tax filings for the Group and managed funds

manage relationships with tax authorities

manage outsourced tax providers; and

assist with tax and financial reporting

Group Tax undertake appropriate levels of continuing professional development each year to assist with identification of external factors and risks relating to tax.

Occasionally it is appropriate to engage with tax authorities to discuss risks and resolve issues. The nature of global tax legislation means that it is often not possible to ascertain complete clarity regarding interpretation and therefore mitigate all known tax risks. As a result, at any given time, the Group may be exposed to financial and reputational risks arising from its tax affairs.

## HOW WE MANAGE OUR TAX AFFAIRS

### ATTITUDE OF THE GROUP TO TAX PLANNING

Jupiter does not tolerate the artificial diversion of profits from one jurisdiction to another and is committed to paying tax in the jurisdictions where it has genuine economic substance. We recognise that we have a responsibility to pay an appropriate amount of tax, commensurate with our economic activity, in each of the jurisdictions in which we operate. We balance this responsibility with the obligation we have to our shareholders to structure our affairs in an efficient manner. Our corporate structure and operating model ensure that our tax affairs are transparent to the tax authorities.

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 the UK's Double Taxation Treaties and relevant Organisation for Economic Co-operation and Development ("OECD") Guidelines for international tax matters including adherence to the OECD Base Erosion and Profit Shifting initiatives. We also follow the OECD Transfer Pricing Guidelines for recognising the economic value of inter-Group transactions. The Group's transfer pricing policy is periodically reviewed for appropriateness against both internal and external evidence including third-party benchmarking.

Remuneration packages for employees are structured so that the Group reasonably believes that the proper amounts of tax and social security contributions are paid on remuneration.



Occasionally we may assess that tax efficiencies can be achieved, but this will only be pursued where:

- The proposal is aligned with the Group's operational or business objectives, and
- This does not carry significant reputational risk or significant risk of damaging our relationship with the tax authorities in the countries we operate, and
- The proposal is aligned with the policy objectives of the government which introduced the incentive.

External advice is typically sought in relation to tax planning or areas of complexity and uncertainty to support the Group in complying with its tax strategy.

## TAX COMPLIANCE AND RELATIONSHIP WITH HMRC AND OVERSEAS TAX AUTHORITIES

We seek to comply with our tax filings, reporting and tax payment obligations in all jurisdictions, paying what we owe at the right time. We maintain an open and transparent relationship with the tax authorities in the jurisdictions in which we operate. In the UK, we adhere to the HMRC Framework of Co-operative Compliance and we liaise closely with HMRC to ensure they are aware of all significant transactions in the Group and that their view of those transactions is understood. We have been assessed as ‘Low Risk’ by HMRC at the most recent risk review meeting. We remain committed to conducting our tax affairs in this way.

Occasionally, it is possible that our views and/or those of our advisors on appropriate tax treatment may differ from those of the tax authorities. Where such circumstances arise we work proactively and constructively with the tax authority involved with the aim to achieve a swift resolution. Most of the time such disagreements are resolved quickly through constructive dialogue. However, it may be necessary in some cases to proceed to litigate in order to clarify the correct interpretation of the law.

We support initiatives to improve international transparency on taxation matters, including the OECD measures on transfer pricing and automatic exchange of information. We do not tolerate tax evasion, nor do we tolerate the facilitation of tax evasion by any person(s) acting on the Group’s behalf. We have appropriate procedures in place, such as training on appropriate practice and a whistleblowing hotline, to support our policy towards the prevention of the facilitation of tax evasion.

At the date of publication of the Group’s tax strategy there were no open corporate tax matters of dispute in any of the countries in which we have a permanent establishment.

The Group’s tax risk appetite requires that, where the tax law is unclear or subject to interpretation, we will seek external advice. The Group will only proceed on its proposed tax treatment if after a robust risk assessment the approach is consistent with the Group’s tax strategy and the Group’s approach to risk more broadly.

Where new businesses are acquired by the Group, these are brought in line with the wider Group tax strategy in a short a timeframe as possible. We note that where there are historic policy differences or different control frameworks, there may be legacy risks that go unmitigated.

In the rare circumstances where the business is subject to a force majeure, we would continue wherever feasible to maintain our tax strategy. However, we accept that in unprecedented and unpredictable times, tax filing and tax payment failures may occur. We may elect to utilise tax payment and filing extensions where these are available if it mitigates such risks.





## TAXES WE PAY

At Jupiter we adhere to the ethos of we pay what we owe, at the right time. Below we highlight the key tax contributions that the Group makes.

The main jurisdiction in which we pay tax is the UK.

### UK CORPORATION TAX AND OVERSEAS CORPORATE INCOME TAXES

The Group pays corporate tax on taxable profits as computed under the relevant laws of the jurisdictions in which we operate or have a taxable presence.

### EMPLOYERS' NIC AND OTHER

Jupiter employs approximately 500 employees in the UK and pays Employers' National Insurance Contributions ("NICs") upon their salaries, which includes compensation paid in fund units and company shares. Additionally, where Jupiter provides non-specific, non-monetary benefits to employees, the firm bears the cost of the tax on this. We also pay our share of the Apprenticeship Levy.

### BUSINESS RATES AND INSURANCE PREMIUM TAX

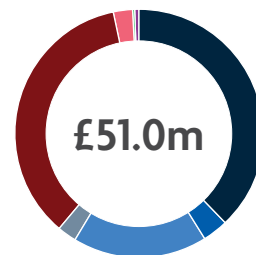
Business rates are paid in respect of the Jupiter London office and are levied by the local borough in which the office is located. Insurance Premium Tax is applied on insurance premia the Group purchases, such as life assurance for employees and standard insurance associated with running a business.

### VAT

The Group incurs VAT and other sales taxes on goods and services that it purchases. We suffer irrecoverable VAT because most of our services are exempt from VAT, therefore we are unable to recover a significant portion of the VAT Jupiter incurs.

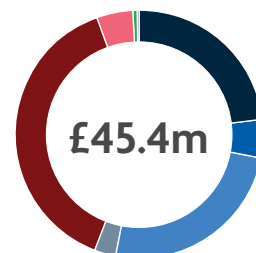
#### 2023 TAXES PAID

- UK Corporation Tax cash tax estimate (£19.4m)
- Overseas corporate taxes (£1.7m)
- Irrecoverable UK VAT (£8.8m)
- Irrecoverable overseas VAT (£1.4m)
- Employers' NIC (£18.1m)
- Business rates and stamp duties (£1.2m)
- Insurance Premium Tax (£0.2m)
- Other (£0.2m)



#### 2022 TAXES PAID

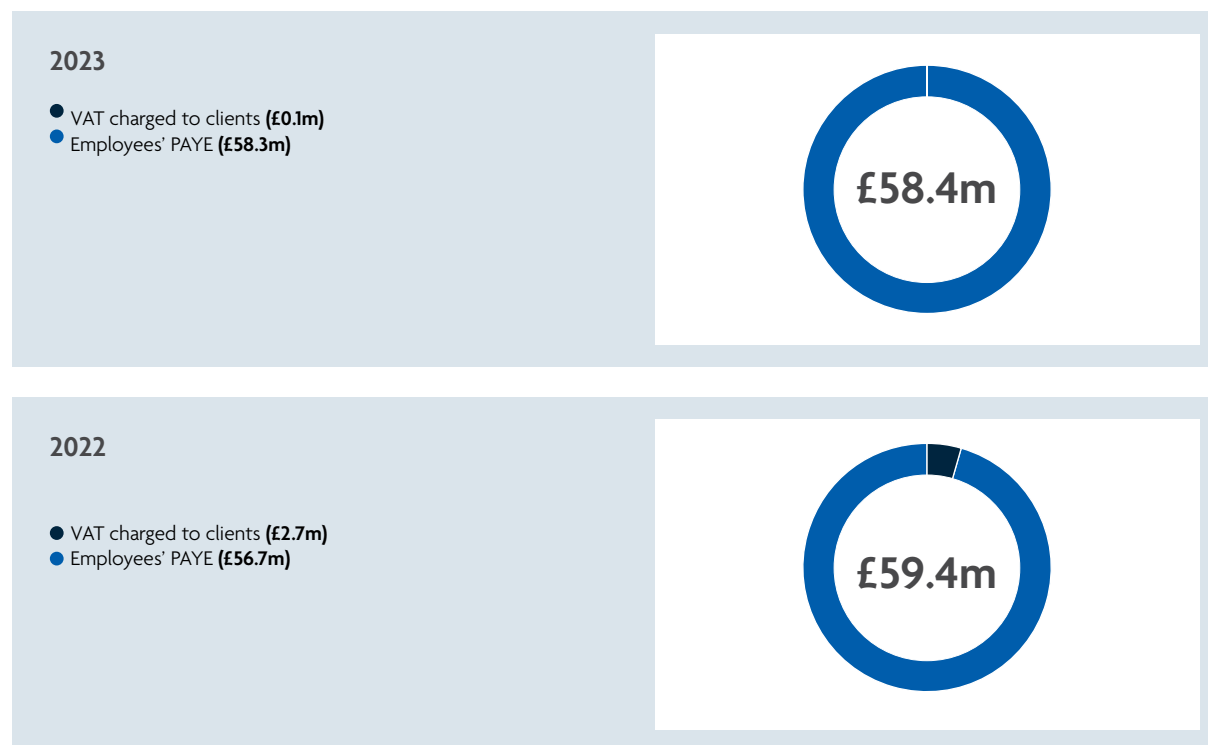
- UK Corporation Tax cash tax estimate (£10.5m)
- Overseas corporate taxes (£2.3m)
- Irrecoverable UK VAT (£11.3m)
- Irrecoverable overseas VAT (£1.3m)
- Employers' NIC (£17.6m)
- Business rates and stamp duties (£2.1m)
- Insurance Premium Tax (£0.2m)
- Other (£0.1m)



## TAXES THE GROUP COLLECTS

### PAYE AND VAT

Jupiter also collects taxes on behalf of HMRC in the UK and other countries in which we operate, helping to ensure the Treasury receives taxes it is owed. The main contributor to this is employees' PAYE (income tax and NICs).



## WHERE THE GROUP PAYS CORPORATE TAXES

**Jupiter seeks to pay taxes in the countries we operate in a consistent and fair manner and always seeks to declare profits in the countries where genuine economic substance arises. As seen in the following table, taxes paid are consistent with AUM generated in that country and employees in that location. Jupiter pays 88% of its corporate taxes in the UK relating to economic drivers in that country.**

Investment managers are primarily located in the UK, with some sales teams and supporting staff employed in overseas jurisdictions in 2023. A permanent establishment is registered for tax whenever an employee is engaged locally. We established Management Companies in Ireland and Luxembourg in order to oversee the management of the funds located in those countries following the UK's exit from the European Union. We ensure that we have the appropriate substance in those countries to service those clients' assets. The transfer pricing method used to allocate revenues arising in these companies is allocated according to the economic substance of that entity and benchmarked against third-party evidence. Where we have employees we have either tax registered branches of the Luxembourg entity (in Germany, Ireland, Italy, Spain and Sweden) and tax registered companies (in Australia, Hong Kong, Singapore, Switzerland and USA). The Group recognises the majority of the value generated by managing the overseas funds is due to the investment management activity which takes place under service agreements in the UK, and accordingly, the Luxembourg and Irish Management Companies pay a significant fee to the UK companies for those services. The retained profit in these companies is reviewed and benchmarked by a third party.

Actual tax paid by the Group represents the sterling equivalent of cash tax payments made in 2023, which may differ from amounts recognised in the financial statement due to timing differences arising on payments on account often being assessed by tax authorities on preceding years filings.

COUNTRY	ACTIVITY	EMPLOYEES	EMPLOYEE		PROFIT		TAX PAID £'000
			COMPENSATION £'000	REVENUE £'000	BEFORE TAX £'000	TAX ACCRUAL <sup>1</sup> £'000	
<b>United Kingdom<sup>2</sup></b> <i>Listed Plc and UK tax resident subsidiary companies</i>	Investment Management, Distribution, Management Company	460	140,958	341,565	392	22,298	18,646
<b>Ireland<sup>3</sup></b> <i>2 taxable entities – Tax registered Irish company and a tax registered branch of the Lux Management Company</i>	Investment Management, Management Company	8	1,553	6,645	1,954	249	358
<b>Germany</b> <i>Tax registered branch of Lux Management Company</i>	Distribution	8	2,094	3,316	279	91	83
<b>Sweden</b> <i>Tax registered branch of Lux Management Company</i>	Distribution	3	572	967	103	22	120
<b>Italy<sup>4</sup></b> <i>Tax registered branch of Lux Management Company</i>	Distribution	6	992	2,870	284	84	0
<b>Spain</b> <i>Tax registered branch of Lux Management Company</i>	Distribution	4	796	2,449	1,020	254	40
<b>Switzerland</b> <i>Tax registered Swiss company</i>	Distribution	4	1,147	1,783	152	37	21
<b>Australia<sup>5</sup></b> <i>Tax registered Australian company</i>	Distribution	0	268	329	30	7	0
<b>Singapore</b> <i>Tax registered Singapore company</i>	Distribution	9	1,901	3,178	791	153	16
<b>Hong Kong</b> <i>Tax registered Hong Kong company</i>	Distribution	5	1,159	3,046	423	61	69
<b>Luxembourg</b> <i>Tax registered Luxembourg company</i>	Management Company	9	1,625	32,027	2,487	620	1,587
<b>Jersey<sup>6,7</sup></b> <i>Tax registered Jersey company</i>	Holding Company	0	0	0	0	0	0
<b>US<sup>8</sup></b> <i>Tax registered US company</i>	Investment Management, Distribution	11	5,113	7,394	1,559	271	200
		<b>527</b>	<b>158,178</b>	<b>405,570</b>	<b>9,471</b>	<b>24,140</b>	<b>21,097</b>

## Notes:

- Tax accrual indicates current tax on profits for the year excluding any prior year adjustments and deferred tax.
- The UK's share of the Group's profits appears low, but this is due to the exceptional item of the impairment to goodwill of £76m that is non-taxable.
- A portion of these profits are subject to UK tax under the controlled foreign companies' regime. A permanent establishment is recognised for an Investment manager based in Ireland, profits are determined and allocated accordingly.
- No cash tax paid in 2023 due to an overpayment in prior year.
- Employment and entity activities ceased in July 2023, giving rise to employment income during the year, but no employees by the end of the year.
- The Group acquired three Jersey incorporated companies following the acquisition of Merian Global Investors in July 2020. All three entities are in fact UK tax resident due to the principle of central management and control and therefore subject to UK taxes. These Jersey companies currently have no operating business and are in the process of being restructured with a view to being liquidated.
- A Jersey resident Employee Benefit Trust is used to hedge employee performance share awards due to be distributed in the future to employees. All withdrawals from the trust are subject to employee income tax and social security on vesting in their country of employment. Therefore, there are no tax benefits gained by either Jupiter or its employees in having this arrangement.
- Employees, employee compensation and revenue include 100% of the results in an associate company as consolidated in our Annual Report and Accounts whilst PBT, tax accrual and taxes paid reflect our 25% ownership stake in the same associated company.

## OUR GROUP TAX STRATEGY AS APPLIED TO OUR FUNDS

**Through a wide range of funds, we manage assets on behalf of our clients across Equity, Fixed income, Multi-asset and Alternative strategies.**

Our funds are subject to tax and capital gains tax returns in various jurisdictions around the world. In most circumstances the taxes paid by the funds will be similar to what the tax would have been if our investors had invested directly in the underlying assets. Fund look-through tax treatment is recognised in many tax regimes throughout the world and we do not manage our funds with the intention to reduce taxes that are paid by our investors. Nor do we use tax havens to avoid or evade tax.

In common with the asset management industry, our funds are resident in the UK, Luxembourg and Ireland. These jurisdictions are established centres for asset management businesses. Because these countries have transparent tax regimes with special rules for collective investment vehicles, basing funds in these jurisdictions will in most cases ensure our investors are taxed only once on income arising, where the investor is resident.

Predominantly our UK funds are sold to UK investors, and the fund ranges in Luxembourg and Ireland are registered for sale outside of the UK in other markets and predominantly sold in those markets. The funds in Ireland and Luxembourg are regulated vehicles subject to supervision of the Irish or Luxembourg regulator.

The UK has enacted comprehensive tax rules relating to Offshore Funds for UK investors contained within The Offshore Funds (Tax) Regulations 2009. For each of our non-UK fund ranges that are sold to UK investors we register each share class with HMRC to fully comply with these Offshore Funds Regulations. This also ensures that UK investors do not suffer the tax disadvantages of investing in an unregistered offshore fund. Funds that meet the criteria for entry into the Offshore Fund regime must adhere to strict rules with respect to distributing income and gains arising offshore within the year they arise, which is then taxed in the hands of the UK investor.

The Luxembourg fund has a subsidiary in Mauritius which historically invested onwards into India. This subsidiary is registered for and pays taxes in Mauritius and the fund pays taxes arising in India. During 2023 the use of this subsidiary to acquire new assets was ceased and the existing assets were transferred to be held directly by the Luxembourg fund by 31 March 2024. The Mauritian subsidiary will be liquidated in due course.

Offshore fund ranges are registered with HMRC as an offshore fund and annual reports submitted to HMRC and investors, which ensures income gets taxed in the year it arises on UK investors.

All of our funds are registered and comply with Automatic Exchange of Information (“AEOI”) requirements, including the Common Reporting Standard and the USA enacted Foreign Account Tax Compliance Act (“FATCA”). Reporting within these regimes requires our funds disclose income and gains paid to investors each year to the relevant tax authority for the purposes of international exchange of information.

We comply with all investor tax disclosure requirements for the funds we manage.



## TAX IN THE FINANCIAL STATEMENTS

### TOTAL TAX

The financial statements disclose the Group's tax expense each year.

FACTORS AFFECTING TAX EXPENSE FOR THE YEAR	2023 £m	2022 £m
Profit before taxation	9.4	58.0
Taxation at the standard corporation tax rate (2023: 23.5 per cent, 2022: 19 per cent)	2.2	11.0
Non-taxable expenditure <sup>1</sup>	17.9	0.4
Other permanent differences	4.3	1.6
Adjustments in respect of prior years	(1.9)	(3.2)
Effect of differences in overseas tax rates	(0.2)	0.3
<b>Total tax expense</b>	<b>22.3</b>	<b>10.1</b>

<sup>1</sup> Principally relating to the impairment of goodwill

### NON TAXABLE EXPENDITURE AND OTHER PERMANENT DIFFERENCES

These are items where tax authorities do not permit deductions as they do not deem them necessary for the business to incur in order to operate. Also included in this item is the impact of share based payments credits where there is no corresponding deferred tax unwind.

### ADJUSTMENTS IN RESPECT OF PRIOR PERIODS

During the year tax charges accrued in the accounts are based on estimates. These are refined after the year has finished. These differences are then booked in the following year.

### OVERSEAS TAX RATES

Where the Group operates in overseas jurisdictions and the tax rate is higher than that of the UK this increases the Group's tax charge.

### DEFERRED TAX

Total tax is made up of two constituent part in the accounts. Current tax is an estimate of the cash tax payable in that period and deferred tax is an accounting concept which prevents differences in accounting and tax rules causing spikes in the effective tax rate.

### UNCERTAIN TAX POSITIONS

The Group periodically reviews and evaluates positions taken in tax returns in respect of situations in which applicable tax regulation is subject to interpretation. If deemed necessary, a provision can be made on the basis of amounts expected to be in dispute with the tax authorities.

No uncertain tax positions are currently reportable under the UK's Uncertain Tax Position regime at the date of publication of this tax strategy.

