



## UK Tax Strategy

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### Introduction

AllianceBernstein (“AB”) is a leading global investment management and research firm. With its headquarters location in New York, New York and offices throughout the Americas, Europe, and Asia, the Company provides global investment management services to institutional, retail, and private clients worldwide. Through the Bernstein Research Services (“BRS”) business, AB also provides fundamental research and brokerage-related services in equities and listed options to institutional investors.

The UK tax strategy is prepared for AB’s UK group entities, including all UK incorporated, managed companies, and partnerships consolidated for financial reporting purposes with AB. The UK tax strategy set out below has been prepared pursuant to Paragraph 19(2) of Schedule 19 of the Finance Act 2016 (“Schedule 19”). The UK Tax Strategy applies to UK taxation as defined in Schedule 19 and is drafted in respect of the financial year ended 31 December 2022.

The core principles of the UK tax strategy are as follows:

#### (1) Governance

AB’s income tax functions are centralized within the Global Tax Department. Global Tax oversees AB’s tax compliance, income tax reporting, and income tax examinations or inquiry by the tax authorities globally. AB’s Global Tax Director is responsible for formulating and implementing its tax approach, as well as ensuring that policies and procedures that support the approach are in place, maintained and used consistently around the world, and that the global tax team has the skills and experience to implement the approach appropriately.

The Board of Directors or governance committee (“Committee”) for the relevant AB UK Group are responsible for monitoring and approving the UK Tax Strategy. The UK Tax Strategy will be reviewed annually, approved and updated as appropriate by the Committee.

UK tax matters are delegated to a qualified team of AB tax professionals located in the UK who are responsible for the implementation of the tax strategy and the management of tax and related risks. The UK tax team reports on tax matters to the Global Tax Director who reports to the CFO of AB. Tax Matters are reported to the relevant Committee.

## **(2) Tax Risk Management**

AB proactively manages any tax risk exposure and seeks to ensure that adequate controls are in place to mitigate the possibility of reputational or financial damage. AB has an existing and mature internal control framework that is geared towards the identification, management, and mitigation of tax risks. Where there is significant uncertainty or complexity in relation to a particular risk, external advice by a reputable source will be sought.

The AB Risk Management Team, including Internal Audit, provide independent oversight and assessment of the Company's risk management processes on a periodic basis. AB has a low appetite for tax risk and will only tolerate risk where its systems and controls adequately mitigate the chance of possible adverse impacts. Any tax risks that exceed AB's risk tolerance are escalated to the relevant Committee.

## **(3) Tax Planning**

AB endeavours to structure all commercial activities in the most efficient manner with the view to maximize value on a sustainable basis for its clients and unitholders, whilst complying with relevant UK tax law and practices. In doing so, AB's UK tax planning will involve claiming permitted tax reliefs and incentives where available.

In structuring its business activities, AB does not undertake any contrived, artificial or malicious tax planning. As such, AB's business activities should have commercial rational and economic substance.

## **(4) Relationship with Tax Authorities**

AB seeks to engage all tax authorities, including HM Revenue and Customs ("HMRC"), in a cooperative manner. In all communications with tax authorities, AB endeavours to act with honesty and integrity. In return, AB assumes that fairness and due process will be provided by the tax authority.

Where relevant, and in line with UK tax practices, AB discloses pertinent facts and circumstances to the UK tax authorities. If a particular transaction or series of transactions is deemed sufficiently complex from a tax perspective, AB will initiate discussions or seek advance clearance with HMRC.

When inquiries or tax audits are raised, AB seeks to behave in a compliant and collaborative manner with HMRC in order to resolve any tax matters as efficiently as possible.

Where there is divergence of opinion between AB and HMRC regarding technical tax matters, we seek to resolve this via proactive and transparent discussions and negotiations. On such disputed matters, reliance will be placed on adequately available tax advice to ensure a fair and rational decision is reached.