

Tax Strategy

December 2023

Our tax strategy

Aspect Capital is a pioneering systematic investment manager – managing over \$8bn in a range of systematic investment solutions. The firm employs over 130 people with the majority dedicated to the research-driven evolution of our investment programmes. We believe that diverse experience enhances creativity and problem-solving ability, which are key attributes in a quantitative investment environment.

We have developed deep and long-standing relationships with a broad range of institutional investors, fund of funds and distribution partners from across the globe. Our investors benefit from high levels of transparency and market-leading standards of service.

At the heart of everything we do is a set of core values that have been developed and honed over the last 25 years. These are shared by every employee. These values define the business and how it engages and interacts, not only with investors and its people, but also with business partners, the local community, the environment, the financial markets and society at large. These are split into the following: (i) investor-focused; (ii) integrity; (iii) fairness; (iv) respect; (v) collegiate; (vi) community minded; and (vii) love of a challenge.

In line with our core values, Aspect is committed to adhering fully with all rules, regulations and codes of conduct to which it is subject, and where appropriate, will act as a standard-setter in complying with applicable voluntary codes and industry best-practice.

Aspect Capital is also delighted to have become a B Corporation, joining a network of over 5,000 like-minded businesses. Becoming a B Corporation reinforces Aspect's commitment to having a positive impact on society and the environment. We fully support the B Corp principles, which encourage all businesses to consider the impact of their decisions on employees, customers, suppliers, the community and the environment.

Strong corporate governance is non-negotiable for Aspect. The Board is committed to the highest standards of ethics and professionalism through robust processes, effective oversight and a strong sense of accountability and the Directors have established, and seek to maintain, a culture that places the highest priority on strong corporate governance and regulatory compliance. This ethos also encompasses our approach to tax and we seek to comply both with the letter and the spirit of the tax laws wherever we have a taxable presence.

How our business manages UK tax risks

We take governance and risk management extremely seriously and have a risk management framework and tax operating model in place which are proportionate to the size and complexity of the business.

The Board retain overall accountability for all tax matters within the business, with oversight delegated to the Chief Operating Officer. The Board has ensured that there is competent and qualified internal finance resource to manage Aspect's taxation affairs. The Board also ensures that the internal resource is supplemented by appropriate external resource to provide specific tax advice when needed and in respect of any areas of uncertainty.

Operational responsibility for the day-to-day management of Aspect's tax compliance and risk management is delegated to the Director of Finance and Head of Finance, supported by the wider finance team. The Chief Operating Officer and Head of Finance attend Governance Board meetings at which material tax matters are discussed.

Our attitude to tax planning

The primary function of the finance team is compliance with the business' taxation obligations. We will use appropriate tax reliefs and incentives, while ensuring that these reliefs are not used for purposes which are knowingly contrary to the letter and spirit of the law. Our business is not involved in tax planning other than that which supports genuine commercial activity and would not structure any transaction in a way which gives a tax result contrary to the intentions of Parliament.

The level of risk our business is prepared to accept for UK taxation

The Governance Board approves the risk appetite of the Firm on an annual basis. Aspect has an extremely conservative approach to regulatory risk, including compliance with its taxation obligations. Aspect has zero tolerance for tax evasion or the facilitation of tax evasion.

How our business works with HMRC

We aim to foster an open and collaborative relationship with HMRC (and all taxation authorities where we have a presence). We seek to provide full, comprehensive and timely responses to any queries raised. We will discuss with HMRC in real-time any complex transactions and fully disclose any areas of tax uncertainty. The Chief Operating Officer fulfils the role of Senior Accounting Officer for Aspect and in this role takes an active part in liaising with HMRC.

This strategy is in relation to the year ended 31 December 2023 and was approved by the Board of Aspect Capital Limited.

We consider the strategy complies with the duty under paragraph 22(2) of Schedule 19 of the Finance Act 2016.