

FICO UK Group Tax Strategy

This document, approved by the board of Fair Isaac UK Group Limited (including its subsidiary companies), known as “FICO UK Group”, sets out the group’s approach to conducting its tax affairs and dealing with tax risks for the year ending 30 September 2018.

Tax strategy & approach

FICO UK Group is committed to:

- Meeting the requirements of all applicable laws and regulations relating to its tax activities.
- Maintaining an open and honest relationship with the tax authorities based on collaboration and integrity.
- Applying diligence and care in our management of the processes and procedures by which all tax related activities are undertaken, and ensuring that our tax governance is appropriate.
- Claiming applicable incentives and reliefs to minimise the tax cost of conducting our business while ensuring that these reliefs are not used for purposes which are knowingly contradictory to the intent of the legislation.

FICO UK Group ultimately is wholly owned by a US parent company, and its tax strategy aims to support the commercial needs of the business by ensuring the group’s affairs are carried out in the most efficient manner whilst also remaining compliant with all relevant laws.

Risk Management

Managing the FICO UK group’s tax affairs is a complex process, across many functional areas of the business. The Chief Finance Officer will ultimately sign off on high level material transactions, supported by the Senior Director of Finance for the daily finance and operation function and an in-house experienced Tax Director, who are both integrated with the business. There are controls and procedures in place to mitigate any risks.

When identifying tax risks, these are then assessed on a case by case basis, which allows FICO UK Group to arrive at well-reasoned conclusions on how individual risk should be managed.

When reviewing tax risks associated with a specific decision or action, the UK group ensures that the following are considered:

- The legal and fiduciary duty of directors and employees;
- The requirements of any related internal policies or procedures;
- Associated UK tax legislation and guidance;
- Maintaining the UK group’s professional reputation.

We look to seek outside counsel professional opinion to opine on the tax consequences where there is ambiguity or where the group lacks expertise and where transactions are material. These transactions are always approved by the board of directors of the respective company.

Approach towards dealings with HMRC

FICO UK Group is committed to the principles of openness and transparency in its approach to dealing with HMRC, and in particular FICO UK Group commits to:

- Making accurate and timely disclosure in correspondence and returns, and respond to queries and information requests in a timely fashion.
- Seek to resolve issues with HMRC in a timely manner, and where disagreements arise to work with HMRC to resolve issues by agreement where possible.
- Be open and transparent about decision-making, governance and tax planning.
- Interpret the relevant laws in a reasonable way, and ensure that transactions are structured to give a tax result which is not inconsistent with the economic consequences (unless specific legislation anticipates that result), nor contrary to the intentions of Parliament.
- Ensure all interactions with HMRC are conducted in an open, collaborative and professional manner.

This statement is published to comply with the duty set out in Paragraph 16(2) Schedule 19 Finance Act 2016.