

ARES MANAGEMENT CORPORATION

UK Tax Strategy Statement

1. Introduction

This tax strategy statement is applicable to the UK operations of Ares Management Corporation and its affiliated entities and partnerships (“Ares”). This statement was published in December 2022 and Ares regards this publication as complying with its duty in the United Kingdom under Part 2 of Schedule 19 FA 2016 in its financial year ended 31 December 2022.

2. Principles

Ares is committed to:

- (a) acting as a responsible global tax citizen;
- (b) complying with tax laws in every country and jurisdiction in which it operates taking into account not only the letter of the law but clearly discernible legislative policy;
- (c) ensuring correct and fair payment of taxes; and
- (d) maintaining a good open working relationship with all of the tax authorities it deals with.

Ares’ approach to tax is in line with our high standards of corporate governance.

3. Governance in relation to taxation

Ares manages tax risk in a similar manner to other areas of operational risk across the business.

Ultimate responsibility for Ares’ tax strategy and compliance rests with the Board of Ares Management Corporation. Executive management of this is delegated by the Board to the Chief Financial Officer.

The Board ensures that Ares’ tax strategy is one of the factors considered in all investments and with any significant business decisions taken.

Policies and procedures are implemented and managed by the Ares Chief Financial Officer, Chief Legal Officer and Head of European Tax.

Tax risk is assessed and monitored by qualified tax professionals, with input from external advisers where necessary. Where appropriate, matters are escalated to senior management.

Ares’ tax affairs are regularly scrutinized by our external auditors and oversight of Ares’ UK tax compliance framework includes Ares’ annual Senior Accounting Officer filing to HM Revenue & Customs to certify that appropriate tax accounting arrangements are in place.

Ares has a wide range of investors that have their own specific tax policies; however, it is not Ares’ practice to endorse or accept an investor’s own tax policy.

4. Tax risk management

Ares is committed to paying taxes due to tax authorities on a timely basis and to ensuring its compliance with all relevant tax laws, regulations, guidance and practice. To manage this, Ares operates a system of tax risk assessment and controls as part of its overall internal control framework. In particular, Ares conducts transactions between group companies on an arm’s-length basis and in

accordance with OECD principles, and seeks validation of these principles in the form of regular and robust transfer pricing analysis with the assistance of external advisers.

Ares seeks, where possible, to minimise the risk of uncertainty or disputes with respect to tax and aims to identify, evaluate, monitor and manage all key tax risks. However, given the size and scale of Ares' operations, tax risks will inevitably arise with respect to the interpretation of complex tax legislation. Diligent professional care and judgement will be employed to assess tax risks in order to arrive at well-reasoned conclusions on how the associated risks should be managed. Where there is uncertainty as to the application or interpretation of tax law, appropriate advice evidencing the facts, risks and conclusions may be taken from third party advisers to support the decision-making process.

As tax matters are dynamic and accepted practice and legislation evolve over time, Ares actively monitors changes to legislation and the development of tax practice and regularly reviews its policies and procedures such that they are up to date with UK and international legislative developments.

5. Approach to tax planning

It is Ares' goal to ensure that the outcomes are consistent with commercial realities, and Ares does not enter into artificial tax arrangements.

Where there are alternative ways of conducting its business or structuring a transaction, Ares may balance its responsibilities to shareholders and clients, and choose the alternative which achieves the commercial aims of structuring the business' affairs in an efficient manner, accordingly making use of opportunities to ensure tax efficiency across the business.

However, Ares will not enter into any non-commercial arrangements where the only purpose, or one of the only purposes, is to reduce the tax burden of the business, nor will it seek to utilise any scheme that lacks economic substance and that seeks to provide benefits beyond the apparent intent of the legislation.

Individual remuneration arrangements are structured to maintain Ares' competitiveness in the market, and are monitored to ensure ongoing compliance with income tax, social security and other tax laws in all of the territories in which Ares conducts its business.

Where tax incentives and exemptions are implemented by a country or jurisdiction to support investment, employment and economic growth, Ares may seek to apply them in the manner intended.

Ares does not tolerate tax evasion, nor does it tolerate the facilitation of tax evasion by any person acting on Ares' behalf, including but not limited to in accordance with the UK Criminal Finances Act 2017.

6. Approach to dealings with tax authorities.

Ares seeks to develop open working relationships with tax authorities worldwide based on transparency and trust, while seeking consensus and avoiding conflict.

Ares shall make any required disclosures to tax authorities promptly and take a proactive approach to resolving any tax disputes with tax authorities. Ares takes a constructive, co-operative and open approach to all aspects of engagements with tax authorities.

Ares is supportive of initiatives to improve international transparency and fairness of taxation, including OECD measures on Base Erosion and Profit Shifting.