

As of December 31, 2020

UK Tax Strategy

Scope

Thomson Reuters Corporation (the “Corporation”) is an Ontario, Canada corporation with shares listed on the Toronto Stock Exchange and New York Stock Exchange under the symbol “TRI”. The Corporation is headquartered in Toronto and has operations, directly and through its subsidiaries (collectively, the “Group”), around the world, including in the UK.

The Corporation files annual reports and other continuous disclosure documents with the Canadian securities regulatory authorities and the U.S. Securities and Exchange Commission which are available at www.sedar.com and www.sec.gov.

The Group is a leading provider of business information services. Its products include highly specialized information-enabled software and tools for legal, tax, accounting and compliance professionals combined with the world’s most global news service, Reuters.

UK law requires the Group on an annual basis to publish its tax strategy online in relation to UK taxation. The Group’s UK tax strategy has been hereby published in accordance with paragraph 19(2) of Schedule 19 (the “Schedule”) to Finance Act 2016. This document applies to the UK companies in the Group headed by Thomson Reuters Investment Holdings Ltd. (collectively, “TRUK”).

References in this document to “UK taxation” and “UK taxes” are to the taxes and duties set out in paragraph 15(1) of Schedule 19 to Finance Act 2016, which include income tax, corporation tax, diverted profits tax, amounts for which TRUK is accountable under PAYE regulations, NIC, value added tax, customs duties, excise duties, stamp duty land tax and stamp duty reserve tax.

Aim

TRUK is committed to compliance with applicable laws, rules and regulations in relation to UK taxation. TRUK is also committed to having a professional, cooperative and transparent working relationship with Her Majesty’s Revenue & Customs (“HMRC”) in relation to UK taxation matters, in line with the Group’s values and principles.

Governance in relation to UK taxation

- Ultimate responsibility for overseeing the tax strategy of the Group rests with the Board of Directors of the Corporation.
- The executive team of the Group manages the day-to-day business and affairs of the Corporation, under the supervision of the Board of Directors of the Corporation. The executive team is led by the Corporation’s President and Chief Executive Officer. The Corporation’s Chief Financial Officer (“CFO”) is a member of the executive team with responsibility for tax matters.
- The Corporation’s Head of Tax has day-to-day responsibility for the management of the Group’s tax affairs and reports to the CFO.
- The Audit Committee of the Corporation’s Board of Directors periodically reviews the status of the Corporation’s significant taxation matters.

Risk management

- TRUK is committed to meeting its applicable legal and regulatory requirements in respect of UK taxes. TRUK maintains robust tax administration which includes timely filing of tax returns and making required payments of tax when legally due.
- The Group operates an internal control framework which includes processes designed to enable TRUK to meet its applicable legal and regulatory requirements and to assess tax risk, including the use of tax technology, where appropriate. Reasonable care is applied in relation to processes which could materially affect compliance with tax obligations.
- The Group has an internal team of tax professionals reporting to the Head of Tax. The internal tax team includes UK experienced and qualified tax professionals who are responsible for TRUK's tax affairs, tax compliance obligations and for monitoring and addressing applicable business or legislative developments that might impact TRUK's tax obligations.
- Processes relating to different taxes are regularly reviewed by the Group's internal tax department in the context of applicable business or legislative developments.
- As part of the Group's corporate governance framework, the Group assesses each matter on its specific facts and circumstances. Due to the size, breadth and complexity of the Group's business, the Group's internal tax department actively and continuously identifies, evaluates, monitors and manages tax risks so they remain aligned with the Group's business and strategic objectives.
- The Risk Committee of the Corporation's Board of Directors oversees and monitors the Corporation's framework policies and procedures with respect to risk identification, assessment and management (which include risks related to tax matters). It is the responsibility of the CEO and senior management to identify, assess and manage the Corporation's risks through the design, implementation and maintenance of an enterprise risk management program.
- The "Risk Factors" section of the Corporation's annual report includes a discussion of certain tax risks relevant to the Group.

Attitude towards tax planning

- As part of its overall decision making and risk assessment process in relation to tax, TRUK considers the Group's reputation, brand, corporate and social responsibilities as well as the applicable legal and fiduciary duties of officers, directors and employees of the Group.
- The tax consequences of material commercial transactions impacting TRUK are reviewed and considered by the Group's internal tax department. External tax or legal advice might be sought where the anticipated tax result of a commercial transaction is considered to be unclear from UK legislation, or where the anticipated tax result is subject to varying interpretations.
- TRUK enters into transactions that it considers have commercial and economic substance and, to its knowledge, are compliant with applicable laws, rules and regulations.
- TRUK's intended practice is to ensure that UK tax returns filed are accurate, include full disclosure, and take into account the law and its understanding of the spirit of the law where relevant and sufficiently evident.
- TRUK utilises statutorily available tax incentives in the UK, including, for example, R&D tax incentives in line with UK legislation and its intention.

- The Group maintains a Code of Business Conduct and Ethics (the “Code”) that applies to its employees, directors and officers around the world. The Code reinforces the Group’s commitment to good governance and states that someone should speak up if they see or suspect unethical behaviour, whether of laws, Group policies or the Code and should seek help if they have questions about the applicability or interpretation of any law, rule, regulation or Group policy. The Code also provides reporting channels, which include a confidential and anonymous hotline.
- The Group is dedicated to upholding the Thomson Reuters Trust Principles (a copy of which is posted on its website) by acting with integrity in all matters, including those related to taxation.

Relationship with HMRC

- TRUK believes it has an established, professional, cooperative and transparent working relationship with HMRC. TRUK commits to robust tax administration, including making full and accurate disclosures in its filings, submissions and correspondence with HMRC in relation to UK tax matters.
- Where considered appropriate, TRUK discusses the anticipated UK tax consequences of material transactions with HMRC in real time, or in advance of submitting a tax return.
- TRUK provides HMRC with timely responses to enquiries into its UK tax affairs. TRUK seeks to resolve any differing interpretations through discussion and agreement with HMRC where possible.