

UK Tax Strategy Document

Subject: Tax

Region/Country: United Kingdom

Effective Date: January 1, 2017

Introduction

This document has been prepared in accordance with the requirements of paragraph 19 (2) contained in Schedule 19 of the Finance Act 2016 for the financial year ended 31 December 2017. The document will be reviewed annually.

Conduent Inc. ('Conduent'), a NYSE listed US headquartered multinational company is a leading provider of business process services to its customers globally.

A full list of the entities through which Conduent operates in the UK and to which this document applies is set out below.

- Conduent Business Process Solutions Limited
- Buck Consultants Limited
- Buck Consultants (Healthcare) Limited
- Buck Consultants (Administration & Investment) Limited
- Buck Consultants Shareplan Trustees Limited
- Buckingham Trustees Limited
- Talking People Limited
- CVG Ltd.
- Wireless Data Services Limited
- Conduent Parking Enforcement Solutions Limited
- Conduent Europe Finance Limited Partnership

Tax Planning and Tax Risk Management

Conduent adopts a low risk approach to tax planning and will only be involved in such activity to the extent that the strategy adopted is in line with its commercial objectives and business activities. Where an assessment of tax impacts is undertaken the preferred option is to adopt an approach with a low tax risk.

Conduent's overall tax strategy is to ensure that:

- Tax risks are managed in an established and robust way
- Tax requirements including tax compliance and reporting responsibilities are fully met
- Tax reliefs and incentives where available are utilised consistent with the aim of the legislation
- Tax processes are documented and key controls identified
- Transactional taxes such as VAT are managed through the functionality of its IT systems
- Tax impacts are considered when implementing business decisions, including reorganisations and restructuring
- Identified tax risks are managed through an effective controls environment

Tax Governance

In the management of its tax affairs Conduent has identified the following key roles and responsibilities:

- Conduent CFO reporting to the Conduent CEO is a member of the Conduent's executive council, and has ultimate responsibility for the tax affairs of the Conduent companies worldwide
- Conduent Chief Tax Officer reporting to the Conduent CFO, manages the global Conduent in-house tax department and has overall responsibility for the tax strategy and tax affairs (including tax reporting, tax compliance and transfer pricing) of the Conduent companies worldwide

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- Conduent Europe and Asia Pacific Tax Director reporting to the Conduent Chief Tax Officer has overall responsibility for tax affairs (including tax reporting and tax compliance) of the Conduent companies in Europe and Asia Pacific regions
- The entity finance and accounting controllers have responsibility for reporting and compliance related to transactional and employment taxes on an ongoing basis within their wider finance and accounting roles, supported by the Conduent tax department

Where deemed appropriate external professional tax advisors are engaged to support the above managers. Such services include obtaining formal advice and opinions to support tax positions.

The tax governance framework includes documented tax processes, controls, approvals hierarchy and a strong quarterly reporting process through which tax risks are identified and managed.

The Conduent Audit Committee monitors the integrity of financial reporting, internal controls and key risks, including elements related to taxation. The Conduent CFO and Chief Tax Officer regularly report on tax affairs and risks to the Conduent Audit Committee.

Working with HMRC

Conduent maintains an open and honest relationship in its dealing with HMRC. This will include meetings and communication in respect of significant developments in business and relevant tax discussions and liaising with HMRC to determine and agree where possible the correct treatment of key items. In the event of any material inadvertent errors arising, full disclosure, where required by law is made to HMRC.

When submitting tax computations and returns to HMRC, Conduent discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain.

Conduent continues to cooperate with HMRC to facilitate a mutually beneficial relationship.