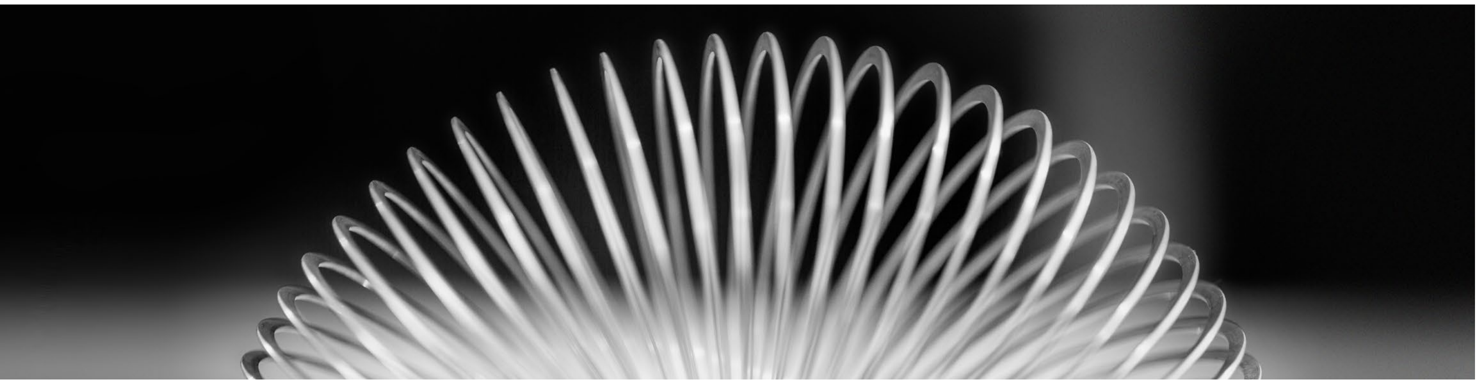
SIX Flex®

SIX Tax Score®

Leverage Financial Instrument Tax Data for Suitability Purposes



Challenge

As our regulatory environment and current tax rules become more challenging, private investors are becoming also more demanding and looking for added-value services. They are increasingly asking for information on the tax implications of their investments. Today's end clients want their private wealth to be viewed and managed holistically with an after-tax wealth preservation and performance approach. Client Advisors need enhanced and enriched tax data on instrument level that are taking into account their clients' profile as well as their investment portfolio structure in order to make tax intelligent investment decisions and optimize their portfolios.

Well-informed private investors are more interested in post-tax return of their investments than the pre-tax return. The tax impact being one of the potentially biggest cost associated with financial products to the end clients, it needs to be dealt with in a consistent and efficient way and not prone to misinterpretation and/or human error.

These requirements can become hard to meet with current tax rules mostly available in the form of heavy tax manuals provided by consulting tax experts. Developing know-how on a generic tax implication, in a cross-border framework, is a time-consuming process that Client Advisors cannot always afford to go through. Finally, the complexity surrounding the tax rules can quickly lead to misinterpretation.

The SIX Tax Score® package helps Portfolio Managers and Wealth Advisors in providing tax transparent investment advice to enable them to cope with these tax requirements and anticipate risks. Therefore, they are able to make tax intelligent investment decisions taking into account the end client's specific tax domicile.

In the investment process, you can rely on our complete and updated tax information provided in a computer executable format. Now, there is no need to call in third party tax experts. Gain valuable insight on the tax implications of each financial product per tax domicile through the use of an easily interpretable tax score and tax data attributes and meet the rising expectations of your private investors. Our package provides with a tax efficiency score on an individual security level, while anticipating tax-related costs of an investment on that security.
With the SIX Tax Score® package, compare easily financial instruments from their after-tax performance perspective to better assess your end-client investment performance. Differentiate yourself from other Wealth Advisors and grow your asset under management and client retention capabilities.

Primary Audience

Head of Wealth Planning, Relationship Managers, Wealth Advisors, Portfolio Managers and Product Offering Managers within Financial Institutions.

Common Use Cases

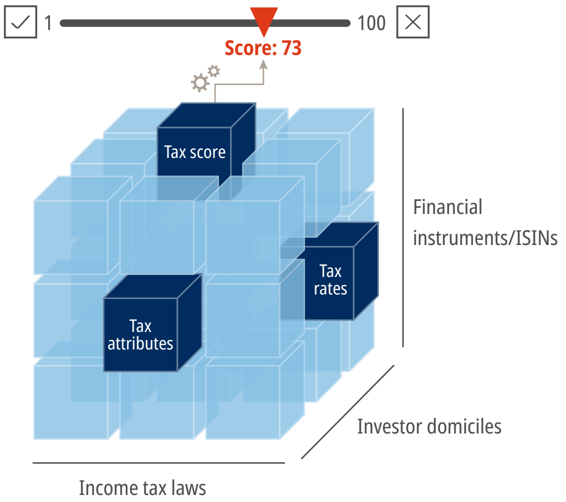
- Investment Product Offering Database.
- Product and Tax Suitability Rules.
- Wealth Advisory Software.
- Portfolio Optimization Software.

Available Content

Together with one of the Big Four tax specialist, SIX has defined asset-class based tax rules and a scoring algorithm in order to provide you with a mixture of factual information and implied/derived information. Based on country and asset class specific rule sets, we perform a series of sophisticated calculation to reach superior and insightful tax information:

- Tax attributes: related to financial instruments that are the basis to evaluate tax suitability and implications for private investors.
- Tax implications: these may differ across countries and are limited to those relevant to the selected tax jurisdictions.
- Tax rates: for income tax (dividends, interest payments) and capital gains tax.
- Tax score: a score between 1 (most tax efficient) and 100 (not suitable from tax perspective) can be generated out of the ratio between total (theoretical) tax paid and possible maximum tax.

Making Tax Measurable



SIX Tax Score® Dataset for Each Financial Instrument

Output fields per instrument/per tax jurisdiction covered	Calculated	Depending on Tax Score Country Jurisdiction
Total tax paid	✓	✓
Possible Max Tax	✓	✓
Tax Score (1–100)	✓	✓
Effective Tax Rate	✓	✓
Total performance	✓	✓
Total taxable cashflows	✓	✓
Score calculation method and period information	✓	
Availability indicator for prices/cashflows	✓	

Available jurisdictions

The SIX Tax Score® package offers complete tax rules and covers the following jurisdictions: United Kingdom and France, for Equities, Bonds, Funds, Structured Products and Warrants.

SIX is continuously looking at expanding the covered jurisdictions for Tax Score.

Features and Associated Benefits

- Offer a complete service: Enjoy ease of mind as tax implications are made transparent and are proactively addressed.
- Satisfy your client with suitable investments: Avoid investing in assets that have an unfavourable tax impact and understand suitable alternatives.
- Make the right decisions: Be confident to make tax intelligent investment decisions by understanding the tax implications of each financial product per tax domicile.
- Focus on your core service: You no longer need to read lengthy tax manuals or rely on third party tax experts to make tax intelligent investment decisions.
- Receive targeted and specific taxation information for your investment product instrument universe.

We have offices in over 20 countries, to get in touch with your local SIX office visit www.six-group.com/contacts

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