

## Summary

Our culture continues to be an integral part of the environment at St James's Place. We are committed to our core values which frame our culture in setting our behaviours, *in that we always do the right thing, invest in long term relationships and are the best version of ourselves*. These core values are extended to how we approach our groups tax affairs.

The Group considers that taxes are an important contribution to wider society and not just a cost to be minimised. In considering the tax affairs of the Group, we will take account of all stakeholders including shareholders, clients, employees and the tax authorities in the countries in which we operate. We aim to be transparent in our tax affairs to ensure the way in which we conduct those affairs supports the Group's wider reputation.

The Board does not set objectives that target effective tax rates but sees the effective tax rate as a consequence of the commercial activities undertaken in the various jurisdictions.

In summary, the objective is to pay the right amount of tax at the right time in each relevant jurisdiction based on the commercial activities undertaken and in accordance with the letter and the spirit of the law in each jurisdiction. In support of this objective a country by country report of the activities of the Group has been published on the website.

Within the approach described above the Group will aim to structure its tax affairs as efficiently as possible and to claim relevant reliefs available to it.

## The Group's attitude towards tax planning

We will only undertake tax planning to support the commercial activities of the business. The Group will not use marketed tax avoidance schemes or arrangements that do not comply with current regulations.

Whilst we offer tax advantaged products, such as ISAs, on which the tax treatment of such products is clearly aligned with the intentions of law we do not promote aggressive tax planning arrangements to our clients.

The Group will consider commercial opportunities and specifically consider the associated level of tax risk and the reputational risk of such transactions.

## Overview of internal governance

The Group's Tax Department is part of the Finance Division, led by the Chief Financial Officer. The Group's tax strategy is owned by the Board of Directors with responsibility allocated to the Chief Financial Officer. The strategy is reviewed annually by the Audit Committee and Finance Governance Group as part of the process of monitoring compliance with this tax strategy for the Group. The Group has a consistent approach to Tax strategy across the group.

Day to day management and implementation of the strategy sits with the Group Tax department based in the UK and, through them, to appropriate senior individuals in companies based in both the UK and overseas.

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***The Group aims to maintain strong working relationships with HMRC and other tax authorities***

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### **Risk management**

Operational risk is managed by the implementation of controls including segregation of duties and ensuring the Group Tax team are appropriately experienced and qualified. Control is also exercised through regular meetings of appropriate staff to ensure the communication of business developments to the Group Tax department and the communication by the Group Tax department of developments in tax law and practice.

The skills and experience of external advisers are utilised to:

- ◆ Ensure that the tax knowledge within the Group is complete and up to date
- ◆ Support internal staff on specific or complex transactions and specialist areas of tax

Controls developed for the purpose of certification to HMRC by the Senior Accounting Officer apply to support the management of tax risk within the Group.

### **Level of tax risk the group will accept**

The Group has a low appetite for tax risk. This can be defined as:

- ◆ not undertaking any transactions involving tax that are not fully supported by commercial activities or that could be considered artificial, and
- ◆ ensuring sufficient and knowledgeable resources are available to undertake the Group's tax reporting and compliance obligations in all jurisdictions.

### **Working with HMRC and other tax authorities**

The Group aims to maintain strong working relationships with HMRC and other tax authorities based on:

- ◆ regular, open, real time communication
- ◆ fair negotiations and adopting a cooperative approach to resolving questions raised in a timely manner
- ◆ timely submission of our tax reporting obligations and payment of any taxes due.

St James's Place Group ("Group") regard the publication of this tax strategy as complying with our duty under paragraph 16(2) Schedule 19 of Finance Act 2016. It is published by St James's Place Plc on behalf of the group.