

Sanlam UK Limited

Tax Strategy

This report is the Sanlam UK Limited tax strategy. The publication of the tax strategy is required in accordance with paragraph 19 of Schedule 19 of the Finance Act 2016. This tax strategy is applicable to Sanlam UK Limited and all companies within its UK group (collectively referred to below as “Sanlam UK” or the “group”).

Governance

Whilst retaining complete responsibility for the operation of the group, the Board delegates the day-to-day management of the group to the group companies’ executive officers. This is accompanied by a comprehensive organisational structure, setting out clear responsibilities and authorities. There is a well-established process for developing, monitoring and maintaining internal controls, an internal audit function and a risk management system for the purpose of bringing together the identification, evaluation, reporting and mitigation of risk. This governance system expressly includes tax.

There is a clear reporting line on tax matters, which links through to the Sanlam UK Board. Day-to-day responsibility for the management of tax is overseen by the Finance department and its tax specialists. This is complemented by carefully chosen outsourcing arrangements and consultations with “Big-Four” tax advisers when appropriate.

Risk Management

Sanlam UK has an approved Risk Management Policy and framework in place that sets out the group’s risk management framework and includes elements such as the definition of risk appetite and the process for the identification, assessment, monitoring, reporting and control of risk. The group embeds risk management into the organisation through a ‘three lines of defence’ methodology, with the first line of defence being line managers who are tasked with the day to day management of those risks allocated to them. The Risk Management function forms the second line of defence, through overseeing the risk framework to ensure that it is operating effectively, and Internal Audit forms the third line of defence, through the implementation of the internal audit annual plan and by way of its periodic reviews as to whether the risk management framework remains fit for purpose. External audit provides further comfort from its statutory and regulatory audit work. This framework includes tax which is recognised therein as a discrete and significant element of the business. As with other risks, the aim within the tax management process regarding tax risk is to identify it, understand it, quantify it as far as possible, reduce it to a tolerable level and report it into the overall risk management framework.

Tax management largely comprises two elements: the operational discharge of tax reporting and payment requirements, and then identifying, assessing and acting upon changes arising both from business activities and tax law and practice. Both are carried out by suitably qualified, trained and experienced individuals with appropriate diligence and professionalism.

Where there are significant transactions to be entered into, key decisions to be taken or significant but not straightforward tax legislative changes, external corroborative advice is sought as a basis for understanding and acting upon any tax implications for the group.

Attitude towards tax planning and the level of tax risk

Sanlam UK has a low tolerance to risk arising from tax. Consequently, tax management is primarily an ongoing process of ensuring tax compliance and a restricted non-aggressive approach to tax planning outlined below.

Tax planning is limited to identifying and utilising any available tax incentives, reliefs and exemptions that are available as a result of conducting the group's normal commercial activity.

Dealings with HMRC

Sanlam UK is committed to the accurate, compliant and timely fulfilment of its tax reporting and payment requirements.

Sanlam UK will always act with integrity, and this includes dealings with HMRC. It aims to foster an open and constructive relationship with HMRC.