



# Tax Strategy

Group Tax, published Sep 2021

**Schroders**  
personalwealth

# Our Commitment

## Sustainable Tax Principles

At Schroders Personal Wealth, we understand that tax is one of the ways that we can contribute to our society. We are committed to adopting sustainable tax principles that align with our broader ambition to be recognised as a responsible business. We look to achieve this by:

- Paying fair taxes
- Maintaining our tax integrity by engaging in fair tax practices
- Ensuring compliance with local laws and regulations
- Maintaining open and transparent relationships with tax authorities and stakeholders
- Acting in accordance with our Tax Strategy

We also commit to complying with HMRC's Banking Code of Practice and the CBI's Statement of Tax Principles.

# Our Tax Strategy

Our Tax Strategy is relevant for Schroders Personal Wealth group companies, Schroders Personal Wealth managed funds and our interactions with clients.

In accordance with legislative guidelines our Tax Strategy sets out our approach in the following areas:

- Management of Tax Risks
- Tax planning
- Tax compliance
- Our tax risk appetite
- How we work with tax authorities

# Our Approach

## Management of Tax Risks

Responsibility for tax matters ultimately sits with our Board and the Chief Financial Officer (“CFO”). Day to day responsibility for oversight of tax matters is delegated to the Head of Tax who reports directly to the CFO.

Any material issues are escalated to the CFO and when necessary to the Executive Risk Committee (ERC) and/or Board Audit and Risk Committee (BARC) as appropriate.

The Tax Strategy is agreed with the CFO and approved by ERC/BARC annually. Our Tax Strategy is supported by an internal Tax Policy document which provides a framework for monitoring and managing tax risks.

We recognize, manage and monitor three main categories of tax risk.

1. **Compliance and Reporting risks**, such as inaccuracies in tax calculations/payments, missed deadlines, inadequacies in financial data.
2. **Transactional risks**, arising where transactions are carried out without adequate tax advice or where tax advice has not been properly implemented.
3. **Reputational risk**, looking at the wider impact that tax risk may have on our relationships with our stakeholders, including shareholders, clients, tax authorities and the general public.

We ensure that our Group Tax team is appropriately resourced and up to date with new tax requirements and applicable legislative changes. Appropriate training and support is provided to all staff who manage, or process matters that have tax implications.



# Our Approach

## Tax Planning

We recognise that we have a responsibility to make tax decisions that both support our business and align with the public interest for sustainable tax revenues.

We also have a responsibility to our shareholders and clients to structure affairs in an efficient manner.

Accordingly, we may utilise legal tax incentives and opportunities for obtaining tax efficiencies where these:

- are not considered to carry significant reputational risk,
- are aligned with the spirit of the law and intended policy objectives, and
- are aligned with our business and/or operational objectives.

External advice may be sought in relation to tax planning or areas of complexity or uncertainty to support us in complying with our tax strategy.

We will not promote or work with other advisors to support tax planning for our clients unless those arrangements are consistent with our tax strategy and tax law.

We will never participate in any tax avoidance schemes or enter into artificial or abusive transactions solely to reduce taxes paid.

We will not make use of any jurisdictions considered to be tax havens in order to gain any tax or financial secrecy advantages.



# Our Approach



## Tax Compliance

We look to comply with all our tax filing, tax reporting and tax payment obligations and do not tolerate tax evasion, or the facilitation of tax evasion by any person(s) acting on our behalf.



## Our Relationship with Tax Authorities

We are committed to maintaining open, transparent and positive relationships with HMRC and overseas tax authorities.

We recognise that there may be occasions where our interpretation of tax law differs from that of a tax authority. In these instances, we will act in accordance with our tax strategy and tax policy, seek external advice and proactively engage with the relevant tax authority to reach an appropriate conclusion.



## Our Business is prepared to accept a low level of tax risk

As a client focused business, our tax risk appetite is low and we maintain a control environment designed to minimise tax risks.





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