



TAXATION POLICY

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Taxation Policy

Introduction

The Society considers that taxation is an important contribution to wider society. The Society is committed to complying with the letter and the spirit of all taxation laws and requirements. This Policy sets out key tax principles that the Society adheres to.

Payment of tax

The Society will seek to pay the right amount of tax to the right authorities, in accordance with the taxation laws of the United Kingdom for the time being in force. These payments will be made on or before their applicable due dates.

General tax matters

The Society will take into consideration all stakeholders when making decisions which will affect its tax liabilities. These include, but are not limited to, its customers, its staff, the government, and the communities in which the Society operates.

The Society will ensure all of its transactions are structured to reflect genuine commercial activity. Hence the Society will not engage in structured transactions where the primary intention is to reduce a tax liability.

The Society does not, and will not at any future time, make use of structured arrangements which utilise vehicles in off-shore jurisdictions to secure a tax advantage or facilitate the evasion of the payment of tax in the United Kingdom or to otherwise create secrecy toward its financial affairs.

The Society's members are expected to be ordinarily domiciled and resident in the United Kingdom and the Society does not actively seek deposits from persons who are domiciled overseas. The Society may, at its election, accept a deposit from a member who is ordinarily domiciled in, or is a citizen of, the United Kingdom but who is resident for the time being in an overseas jurisdiction. Before doing so it will be mindful of the criminal offence of the failure to prevent the facilitation of tax evasion in the United Kingdom by, amongst other means, conducting enhanced customer due diligence, understanding the source of their wealth and having regard to their country of residence taking into account Transparency International's Corruption Perception Index.

Tax authorities

The Society will always be open and co-operative in its dealings with all authorities having taxation powers in the United Kingdom for the time being in force. The Society will proactively communicate to these authorities information which it believes they need in order to calculate the Society's tax liability. The Society will not use tax avoidance schemes or arrangements.

The Society will not engage in any tax lobbying or seek to influence governmental tax legislation.

Policy review and reporting

This Policy will be reviewed by the Assets and Liabilities Committee (ALCO) on an annual basis. Compliance with this policy will be reported upon in the Society's annual report.