

# Tax Strategy

DECEMBER 2021



## INTRODUCTION

At Sarasin & Partners, our Core Values of Partnership, People and Stewardship underpin our business. It is important to us that the right amount of tax is paid at the right time and in the right place. We understand that we have a responsibility group-wide and that the taxes we pay are part of our contribution to society. We also appreciate that tax transparency is part of the way in which we build trust with stakeholders.

This document (the 'Tax Strategy') applies to Sarasin & Partners LLP and to the group of companies headed by Sarasin (U.K.) Limited (the 'Group') in accordance with Schedule 19 to the Finance Act 2016 (the 'Schedule'). In this document references to 'Sarasin & Partners' or the 'Group' are to all Sarasin (U.K.) Limited Group entities.

The Tax Strategy is published at [www.sarasinandpartners.com/important-information](http://www.sarasinandpartners.com/important-information), in accordance with the provisions of paragraph 16 of the Schedule, and relates to the financial year ended 31 December 2021. It is updated as required and approved by the Board.

## AIM

Our aim is to:

- Meet all legal taxation requirements and make all appropriate tax returns and payments, in a timely and accurate manner;
- Always consider the Group's reputation, brand, and social responsibility;
- Consider tax as part of every major business decision and operate the appropriate tax, risk and governance processes, including Board oversight;
- Not undertake transactions whose sole purpose is to create an abusive tax result or which are outside of the Group's risk appetite or are not in line with our Core Values;
- Keep up-to-date with changing tax legislation and requirements by means of regular consultation with our professional advisors;
- Maintain at all times an open and helpful relationship with HMRC; and
- Operate, both within the Group, and in our wider relationship with the J. Safra Sarasin Group, such that profits fall correctly in entities and at amounts driven by relationships based on arm's length terms.

In accordance with the Schedule, this Strategy provides information in relation to the following: -

- Management of UK tax risks
- Attitude to tax planning
- Level of UK tax risk
- Working with HMRC

## MANAGEMENT OF UK TAX RISKS

- Ultimate responsibility for the Tax Strategy rests with the Board. The Board considers the tax aspects of all major financial decisions prior to granting approval and takes responsibility for the overall risk assessment relative to the Group's risk appetite. In particular, the Chief Executive Officer and the Executive Committee have the duty to assess the suitability and sustainability of all decision-making involving tax matters.
- The Group has two locations, the principal location being in London, with a smaller office located in New York. The Group has a single business line, being the provision of investment management services. The level of tax complexity of the business operation remains at a stable level and the Board considers that the level of resource and expertise in place remains adequate to manage tax change as it occurs.
- Day to day responsibility for the implementation of the Tax Strategy, tax policies and management of tax risk rests with the Head of Finance. The Finance team manages the different areas of tax (including Income Tax, Corporation Tax, Capital Gains Tax, Pay As You Earn, National Insurance and VAT) and are

responsible for regular consultation with specialist external tax advisors. The Company Secretary together with the Head of Finance is responsible for Stamp Duty on equity transfers.

- The control environment is supplemented by periodic review undertaken by Internal Audit, and third party assurance provided by the external auditor as part of the annual audit of the Group report and accounts.
- Processes including potential risk identification and the evaluation of appropriate safeguards are monitored on an ongoing basis in respect of the Corporate Criminal Offence of failing to prevent the facilitation of tax evasion.

## ATTITUDE TO TAX PLANNING

- The Board is responsible for ensuring that detailed consideration is given to the tax implications of any major new initiative. The Board ensures that the sustainability of any project is stress tested to include taxation considerations before approval is granted.
- The Head of Finance and the Group's professional advisors keep up to date with changing tax legislation and requirements, especially where these may have a fundamental effect on the sustainability of an operation. This ensures that we are well positioned to enact any changes that result.
- We will not undertake transactions whose purpose is to create an abusive tax result or which are outside of the Group's risk appetite or are not in line with our Core Values. The planning process will examine the tax effects of a number of approaches to ensure a sustainable and appropriate taxation result. We will consult professional advisors for confirmation of approach or to clarify any areas of doubt if required. If necessary we will ask for guidance and/or pre-approval (where possible) from HMRC.

## LEVEL OF UK TAX RISK

- Risks may arise from time to time in relation to complex tax law. We actively seek to identify, evaluate, monitor and manage these risks to ensure that they remain low and in line with our objectives. Where there is uncertainty or complexity in relation to a risk, external advice will be sought.
- It is our aim to run the Group with as low a tax risk as possible. We appreciate the damage that could be inflicted upon our reputation as a safe and suitable place for our clients' investments were the level of tax risk to lead to a significant liability.
- Our reputation is of the utmost importance to our business credibility and we seek to protect it wherever possible. Our stakeholders expect us to maintain a low tax risk.

## WORKING WITH HMRC

- We engage with HMRC with honesty and integrity. Our aim is to meet all legal requirements and make all appropriate returns and payments, in a timely and accurate manner.
- Where there is doubt or a need for clarification we will engage with HMRC in an open and transparent way and where possible seek pre-approval. Where such pre-approval is not available we will seek written opinion from our professional advisors.

In addition:

## CLIENTS, STAFF, SHAREHOLDERS & SOCIETY

- **Clients**  
Our Clients expect the highest standards from us, including in respect of the management of our tax affairs. We seek to defend our reputation as a suitable, sustainable and responsible investment manager and we view the operation of a transparent, appropriate tax strategy as a way to build trust and defend that reputation.

- **Staff**

Our business is a people business, our staff being our principal asset. Their trust and the long-term sustainability of their employment are key to both them and us, and an open and transparent tax strategy is an integral part of this relationship.

- **Shareholders**

We manage our tax affairs in a way that is sustainable and responsible, to deliver returns and value for our shareholders. We appreciate the dual role of individual Sarasin & Partners LLP members as both management and equity owners within our partnership structure, and seek to eliminate or manage any conflicts that may arise.

- **Society**

We recognise that the payment of tax is an important way in which the Government is enabled to maintain and grow a just and fair society. We believe that the payment of the right amount of tax in the right place at the right time is a key way in which we can contribute to society.

## IMPORTANT INFORMATION

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