



ST. JAMES'S PLACE
WEALTH MANAGEMENT

ST. JAMES'S PLACE GROUP PLC TAX STRATEGY
YEAR ENDING 31 DECEMBER 2018

St James's Place Group ("Group") regard the publication of this tax strategy as complying with our duty under section 160 and paragraph 16(2) Schedule 19 of Finance (No.2) Act 2016. The Group has a consistent approach to Tax strategy across the group.

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

The Board does not set objectives that target particular effective tax rates but sees the 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.

OVERVIEW OF INTERNAL GOVERNANCE

The tax policy in the St. James's Place Group is owned by the Board of Directors with responsibility allocated to the Chief Financial Officer. The policy is reviewed annually by the Audit Committee and Finance Executive Committee as part of the process of monitoring compliance with this tax policy in the Group.

Day to day management and implementation of the policy is delegated to the Head of Group Tax based in the UK and, through them, to appropriate senior individuals in companies based in both the UK and overseas.

RISK MANAGEMENT

Operational risk is managed by the implementation of controls including segregation of duties, ensuring staff 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 utilized to:

- Ensure that the tax knowledge within the Group is complete and up to date
- Support internal staff on specific transactions or 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.

RISK APPETITE

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.

RELATIONSHIP WITH HMRC AND OTHER TAX AUTHORITIES

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

- regular, open, real time communication
- fair negotiations and
- timely completion of its reporting obligations and payment of any taxes due.