

UTMOST GROUP PLC

UTMOST GROUP PLC. TAX STRATEGY

Utmost Group plc – Tax strategy

Introduction

This document, which has been approved by the Group Audit, Risk and Compliance Committee (Group ARCC) of the Board of Utmost Group plc, summarises the tax strategy of Utmost Group plc and its subsidiaries (referred to collectively as “Utmost Group” or “the Group”). The Utmost Group regards the publication of this tax strategy as complying with its duty under paragraph 16(2) of Schedule 19 to the Finance Act 2016 for the year ended 31 December 2024.

There are no changes to the Tax Strategy for this period

Governance and risk management

The Board of Utmost Group plc has adopted a Taxation Risk policy that sets out the standards and processes which all entities in the Group must adopt to ensure that they comply fully with taxation legislation, rules, regulations and codes of practice relevant to their activities. The Taxation Risk policy is one of a suite of policies that the Utmost Group has put in place to manage and mitigate key risks and safeguard its business and customers. The adoption of the Taxation Risk policy as part of the latter framework reflects the Group’s recognition that tax is a key regulatory driver and that tax-related errors could potentially create significant reputational and financial costs.

The Head of Group Tax, who reports directly to the Group Chief Financial Officer, is responsible for overseeing the implementation of the Taxation Risk policy on a day-to-day basis. He is supported in this work by colleagues in the Group Finance team and in the Finance and Tax teams of the operating businesses. The Group Chief Financial Officer and the Chief Financial Officers of the operating businesses are responsible for certifying on an annual basis that entities within the Group have complied fully with the Taxation Risk policy. The Group ARCC and the Audit Committees of the boards of the relevant operating entities monitor the compliance of Group entities with the appropriate tax rules and review any tax-related reports that are made by the Group’s external and internal auditors.

The Group’s attitude towards tax planning and tax risk

The Group aims to meet its commercial objectives in a tax-efficient manner, with tax constituting one of the metrics that the Group will consider when evaluating business decisions. However the Group has no appetite for entering into artificial schemes or arrangements that serve no business or commercial purpose and are solely designed to avoid tax.

The Group is committed to full compliance with the laws and regulations of all the jurisdictions in which it operates and, as such, has no appetite for the risk that the Group might fail to comply with tax legislation. Accordingly the Group will always invest in the systems, people and processes that are required to enable it to submit accurate tax returns in a timely manner. The Group’s tax specialists monitor all relevant legislative developments, ensuring that the Group adapts its tax processes in a timely manner in response to changing tax requirements.

The Group carefully evaluates the tax implications of any material transaction that it undertakes. If it believes that there is uncertainty regarding the tax implications of such transactions it will consult with the tax authorities and/or obtain external advice.

The tax rules of the UK and the other jurisdictions in which the Group operates are complex and fast-changing. As a result, there can be areas in which the precise requirements of tax legislation are open to interpretation. Consequently, it is possible that situations might arise where the Utmost Group’s own reading of the tax rules diverges from the interpretation adopted by HMRC or other tax authorities. Should this occur then the Utmost Group will proactively notify the tax authorities of any differences in interpretation that could potentially have a material impact on the Group’s tax liabilities. The Group’s aim in such an event would be to engage with the relevant tax authorities in a constructive and open manner with a view to exploring the reasons for the difference and, where possible, allowing agreement to be reached. Should such agreement prove impossible then the Group might need to consider options such as litigation. However even if litigation proves necessary the Group will always remain fully cooperative with the tax authorities and ensure that full disclosure of all relevant facts and information is made.

The Group's attitude towards dealing with tax authorities

The Utmost Group seeks to maintain an open, transparent and cooperative relationship with HMRC and the tax authorities of the other jurisdictions in which it operates. It notifies the tax authorities on a timely basis of any transactions or developments that could significantly impact its tax profile. It consults with HMRC and other tax authorities in cases where there is uncertainty either regarding the application of tax legislation to transactions undertaken by the Group or regarding the appropriate tax treatment of products that it is developing. Where appropriate, it also requests tax clearances or confirmations ahead of significant transactions.

The Utmost Group always aims to ensure that tax returns and certificates are prepared accurately and are provided to its policyholders or to the tax authorities ahead of the relevant deadline. It will always notify the relevant tax authority as soon as possible if it discovers that it has inadvertently omitted to file a return in time or that any return submitted contains an inaccuracy.

The Group regularly provides feedback to HMRC and other tax authorities on proposed changes to tax policy either on an ad hoc basis or through participating in formal consultation exercises. Its aim throughout is to provide constructive advice that will assist HMRC and other policymakers in improving the quality of tax legislation and in minimising the risk that any proposals could lead to any unintended consequences.