

OneFamily Tax Strategy

Our tax strategy

Our purpose is to create and protect value for members whilst ensuring that the business is sustainable over the long term and our vision is 'inspiring better futures'.

To deliver on this vision we look to grow in our core suite of products – investments, protection and decumulation (currently mortgage advice and origination).

Alongside this, we want to retain our existing customers through excellent service, attractive products, and benefits. Finally, we seek to maintain a financially sustainable business with a strong focus on being cost efficient and profitable whilst ensuring that we comply with all relevant legislation and regulation.

Responsible corporate tax practices are increasingly a key driver in our customer's decision making and as a mutual organisation we have an obligation to act in the best interests of our members. This is best achieved through managing the taxes we pay in a responsible manner, fully complying with all tax regulations and ensuring we pay the right amount of tax.

Our tax strategy is designed to be consistent with our business strategy and the needs of our members and customers. The tax strategy is reviewed annually and approved by the Risk Sub-Committee.

Responsible management of taxes

- Tax compliance – We act responsibly in all of our tax matters. We understand the importance to Government and society of paying the right amount of tax in a timely manner and so we take our compliance obligations seriously.
- Approach to tax – We take an objective view of the generally understood interpretation of tax laws and regulation and seek professional advice where necessary to ensure our understanding is correct and up to date.
- Governance – We manage tax, including uncertainties and risk, in line with our Group Tax Governance Framework.
- Engagement with stakeholders – We respect the role of HMRC and seek to build constructive relationships with them, discussing and resolving matters promptly and efficiently.

Attitude towards tax planning

Business decisions are taken after an evaluation of the impact on members, customers, operational efficiencies and regulatory drivers. Where tax actions or obligations arise from or during these business decisions we want to be aware of them so as to be sure that they are dealt with in the correct way. When there is uncertainty over how a transaction is taxed we will take external advice to ensure that all regulations are complied with.

Approach to risk management and governance of the business

The effective management of risk is critical to the success of OneFamily. Inherent in this is that tax risk is recognised and managed through the auspices of the tax strategy. OneFamily's Risk Management Framework embeds proactive and effective risk management. The Group Risk Framework is described in detail in our Annual Report and Consolidated Financial Statements.

The management of our tax affairs is set in the context of our Risk Management Framework. This is achieved by identifying the key tax risks to which OneFamily is exposed and implementing controls to mitigate these. The Chief Finance Officer is accountable for the effectiveness of these controls and the Group Financial Controller is responsible for conducting periodic reviews that the controls are appropriate and that they have been complied with. We also engage the services of external professional advisors to review the processes, controls and outputs of our tax position to ensure compliance and best practice.

October 2022