

Sage Homes

UK Tax Strategy 2024

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Author(s): Head of Tax

1. Introduction

- 1.1. In accordance with Schedule 19 of the Finance Act 2016, the Sage Homes group of companies are required to publish a tax strategy for the year ending 31 December 2024. The Tax Strategy has been approved by the Board of Directors and is in line with the overall strategy and operations of Sage Homes.

2. The scope of this strategy

- 2.1. This strategy applies to all UK entities listed below, which operate under the overall brand name 'Sage Homes'.
- 2.2. The Sage Homes Group of companies is headed by Sage Investments Sarl and the group meets the requirements for the small group exemption for preparing Group accounts.
- 2.3. The Group consists of the following entities:

Sage Homes RP Ltd *	Active
Sage Rented Ltd *	Active
Sage Housing Group Ltd	Active
Sage Borrower AR1 Ltd	Active
Sage Borrower AR2 Ltd	Active
Sage Borrower AR3 Ltd	Active
Hedwig ASR Holdco Ltd	Dormant
Sage Investments 2 Ltd	Dormant
Sage Investments 3 Ltd	Dormant
Sage Investments 4 Ltd	Dormant
Sage Investments 5 Ltd	Dormant
Sage Investments 6 Ltd	Dormant
Sage Green Homes Ltd *	Dormant
Sage Places Ltd *	Dormant
Sage Housing Partnerships Ltd	Dormant
Sage Shared Ownership Ltd *	Dormant
Sage Housing Group 3 Ltd	Dormant
Sage Housing Ltd (Formerly Sage Housing Group 2 Ltd)	Dormant
Heart of Sage (Charitable community benefit society)	Dormant

* Registered Provider of Social Housing

3. Strategy

3.1. The core principles of our UK tax strategy are as follows:

Governance

- 3.2. The Chief Financial Officer (CFO) is responsible for formulating and implementing our approach to tax. The CFO is also responsible for ensuring that policies and procedures that support the approach are in place, maintained and used consistently, and that the tax team has the skills and experience to implement the approach appropriately.
- 3.3. The Board of Directors of the Sage Homes Group are responsible for monitoring and approving the UK tax strategy. The UK tax strategy will be reviewed annually, updated as appropriate and approved by the Board of Directors.
- 3.4. UK tax matters are dealt with by a team of in-house and external tax and accounting professionals who are responsible for the implementation of the tax strategy and the management of tax and related risk, taking into consideration how tax arrangements will impact upon reputation, brand, corporate and social responsibilities, or future working relationships with HMRC.
- 3.5. The UK tax team reports on tax matters to the CFO, who reports to the Chief Executive Officer of the Sage Homes Group. Tax matters are reported to the Board of Directors.

Approach to managing tax affairs

- 3.6. We are committed to conducting our tax affairs in a way that is within the letter, spirit, and intention of the law. In structuring our business activities, tax is considered in a way that gives rise to tax efficiencies, providing this complies with the associated UK tax legislation, in order to maximize value for our investors and stakeholders.
- 3.7. We do not participate in tax avoidance schemes or engage in artificial tax arrangements to seek a tax advantage and seek to minimize the risk of uncertainty or disputes.
- 3.8. We conduct transactions between Group companies in compliance with local tax laws and in accordance with current OECD principles. We may seek external tax advice to ensure those payments are correctly priced.

Tax risk management

- 3.9. We actively seek to evaluate, monitor, and manage tax risks to ensure compliance with tax legislation. We retain tax advisors and legal counsel to provide advice and assistance with ongoing tax compliance and tax strategy matters, particularly for uncertain or complex areas of tax.
- 3.10. Our procedures and controls are designed to ensure our taxation policies are up to date with all UK tax legislation. These procedures and controls support the filing of accurate and timely tax returns and paying the correct amount of tax in the UK within statutory payment deadlines.

Relationships with tax authorities

- 3.11. We seek to maintain an open, fully transparent, and collaborative relationship with HM Revenue & Customs ("HMRC"). We have engaged with HMRC on tax matters, via external tax advisors and a temporary Customer Compliance Manager (CCM) and will proactively engage with HMRC to avoid unnecessary disputes and ensure that our business is understood.
- 3.12. We actively seek to participate in discussions with HMRC, government and other relevant property and real estate organisations in response to changes impacting the

affordable housing sector, in order to explain any potential impact to our investors, customers and other stakeholders.

4. Delivery of this policy

- 4.1. The effective delivery of this policy will result in the publication on Sage Homes website on an annual basis. The Head of Tax will be responsible for providing policy for review and approval from the Board and liaise with the Communications team, who will be responsible for publishing online.

5. Policy review

- The Tax Strategy will be reviewed at least once every year to make sure it remains relevant and accurate unless legislation/regulation changes require otherwise.
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