

Birmingham Bank Tax Strategy

Our Tax Principles guide how Birmingham Bank (“BB”) manages its tax affairs, for ourselves, our staff, suppliers, market counterparts and on behalf of our clients. BB takes into account our stakeholders, including governments and communities, when making decisions related to BB’s tax affairs. Crucially, BB plays an important role on behalf of governments as collector of taxes in relation to payments made to our customers and staff.

BB provides as its core business, personal Savings and Professional Buy-to-Let. BB operates through its offices in Birmingham.

The publication of these Tax Principles along with our Overall Tax Management approach is to fulfil the duty under paragraph 16(2) of Schedule 19 of the Finance Act 2016.

Tax Principles

BB applies the HMRC’s Code of Practice on Taxation for Banks and our Tax Principles are framed in the spirit thereof.

1. Taxation is a fundamental part of our Finance function and the responsibilities for taxation matters are defined within our Tax Risk and Controls Framework.
2. BB taxation approach is aligned with our purpose and values, having regard to building long-term shareholder value and maintaining our reputation as a responsible taxpayer.
3. BB ensures that our activities are led in accordance with the relevant tax regulations and laws in the UK.
4. BB ensures that the tax risk appetite remains low and that any inherent risks are appropriately mitigated.
5. BB does not engage in tax planning other than that which supports our genuine commercial activity, aiming to balance our responsibility to shareholders with our responsibility to pay an appropriate amount of tax in the UK. BB may utilise tax incentives or opportunities to obtain tax efficiencies in alignment with our relationship with the tax authorities and the intended policy objectives of the UK government.

Overall Tax Management

The following apply in respect of the way BB attends to its tax affairs; the risks associated with its tax affairs and the management of our relationship with HMRC.

1. The Board of Directors are accountable for the above Tax Principles and governance.
2. The Board of Directors and Senior Management are responsible for establishing and

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maintaining appropriate processes to ensure adherence with the Tax Principles in business decision-making.

3. BB maintains adequate internal controls over our tax affairs and ensure an appropriate level of corporate governance to provide adequate oversight on our tax management processes. To support our Tax Principles, BB has an articulated Tax Risk and Controls Framework.

4. Neither BB, nor persons BB associates with undertake, or facilitate transactions which are designed to achieve tax results that are contrary to the intention of tax legislation. BB are committed to combatting financial crime including money laundering arising from tax evasion.

5. BB fosters a culture of transparency and are transparent in our interaction with HMRC. BB is open and honest in our relationship and act with fairness and integrity. Issues with taxation authorities are resolved in a timely manner, and where a difference of opinion arises, BB seeks to resolve such matters quickly and efficiently.

END

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