

National Wealth Fund Tax Strategy

March 2026



Introduction and scope

The National Wealth Fund (the “Fund”) is 100% Government owned, and its core mission is to:

- Support the Government’s growth and clean energy missions
- Deliver a positive financial return for the Exchequer
- Crowd in significant private capital over time

In delivering its objectives, the National Wealth Fund generates and pays a variety of UK taxes including corporation tax, VAT, employment taxes, and stamp duties. In addition, National Wealth Fund also collects, and remits, employment taxes on behalf of employees.

This tax strategy sets out the National Wealth Fund’s approach to UK taxation and is published pursuant to Paragraph 16(2) of Schedule 19 of the Finance Act 2016.

Tax principles

The Fund is committed to managing its tax affairs responsibly, transparently, and in a manner consistent with:

- UK legislation and regulatory requirements
- Government expectations – transparency and accountability
- The National Wealth Fund’s reputation as a responsible public

institution

- The principles of HMT's Managing Public Money

The Board's objectives for tax management are to ensure that the National Wealth Fund:

- Maintains robust governance and internal controls over all tax relevant- decisions
- Does not undertake tax planning aimed at achieving outcomes contrary to the intention of Parliament
- Applies appropriate due diligence to ensure investment structures are compliant and aligned with supporting our National Wealth Fund Tax Policy
- Meets all UK tax obligations fully, accurately and on time
- Maintains an open, professional and transparent relationship with HMRC

Risk appetite

As a publicly owned organisation, the National Wealth Fund has a low appetite for tax risk (as per our tax risk policy).

This reflects our commitment to:

- High standards of public sector governance
- Protecting the National Wealth Fund's public reputation
- Aligning with Government expectations for integrity, transparency and value for money

Consequently, tax risks are subject to active monitoring, and the National Wealth Fund avoids any arrangements that could present material tax, legal, regulatory or reputational risks.

Tax risk management

The National Wealth Fund manages tax risk in accordance with its risk management framework. This includes processes to:

- Identify and assess tax risks arising from operations and transactions
- Implement appropriate controls to mitigate risk
- Monitor risk exposures and report them to senior leadership
- Account appropriately for tax matters in financial statements

Where complexity or uncertainty arises, the National Wealth Fund will seek advice from qualified external tax advisers to ensure appropriate treatment and full compliance.

Governance responsibilities are clearly allocated:

- The Accounting Officer holds ultimate accountability for tax risk
- The Chief Financial Officer (CFO) is responsible for ensuring that tax policies, processes and controls are properly implemented. The CFO is also the National Wealth Fund's nominated 'Senior Accounting Officer' (SAO) as defined within the Finance Act 2009.
- Under the National Wealth Fund's application of the FCA's Senior Managers Certification Regime: Accountability for both the Compliance Oversight and Money Laundering Reporting Functions sits with the Chief Risk Officer (CRO). This includes overall responsibility for the Compliance team's oversight of financial crime risks, including tax evasion.
- Suitably qualified staff are involved in all tax relevant- decisions
- As set out in the Tax Policy, all staff have responsibilities to report any concerns or suspicions of actual, attempted, or suspected tax evasion to the Compliance team or to the National Wealth Fund's Whistleblowing Officer.

Attitude toward tax planning

The National Wealth Fund complies with the principles set out in HMT's *Managing Public Money*, meaning it:

- Does not engage in or tolerate tax evasion, tax avoidance or aggressive tax planning
- Does not pursue structures designed to obtain tax advantages misaligned with economic substance
- Ensures that transactions are structured based on genuine commercial and policy considerations
- Applies robust due diligence to investments and counterparties
- Seeks external tax advice where appropriate to ensure proper interpretation of the law

Prevention of financial crime

The Fund maintains a Strategy for the Prevention of Financial Crime, which is reviewed and approved annually by the Audit and Risk Committee. This sets out the National Wealth Fund's approach to safeguarding the Fund and its investments from financial crime, including tax evasion. It outlines the key risks and emerging challenges in the financial crime landscape and how the National Wealth Fund assesses its exposure; the arrangements, responsibilities and capabilities in place to counter these risks; and the planned development of those capabilities.

The following are the key processes and controls that the National Wealth Fund has in place to mitigate and prevent financial crime.



Alongside the above, there are six focus areas that guide the Fund's financial crime prevention activity: Support and develop our people; Harness data and technology more effectively; Embed prevention; Drive a targeted and proportionate response to financial crime; Strengthen National Wealth Fund culture; and Commit to continuous improvement.

Relationship with HM Revenue & Customs (HMRC)

The National Wealth Fund seeks to maintain an open, constructive and transparent relationship with HMRC based on mutual trust. This includes:

- Engaging proactively where tax positions involve material judgement

or uncertainty

- Ensuring HMRC has the information necessary to assess the National Wealth Fund's tax affairs
- Responding promptly and professionally to all HMRC queries
- Making full, timely and accurate disclosures in all tax filings
- Adherence to the SAO rules

The National Wealth Fund is committed to ensuring that:

- All taxes are correctly calculated and paid on time
- All required returns are filed fully, accurately and within statutory deadlines
- HMRC is notified promptly of errors or issues requiring correction

Monitoring, Review and Publication

This Tax Strategy is reviewed annually by the Board and updated as necessary to reflect changes in the National Wealth Fund's activities, regulatory requirements or Government expectations.

It is published on the National Wealth Fund's website in accordance with the statutory requirements of the Finance Act 2016.