



CFC Group tax strategy

As an insurance provider we have a responsibility to our customers, employees and to the communities where we work and live. Integrity and high standards of ethical business conduct are embedded in our culture, and this informs our approach to all aspects of our work, including management of our tax affairs. As part of our ongoing endeavours to adhere to high levels of conduct standards, CFC has become a signatory of the Good Business Charter (GBC). Participation in the GBC shows our commitment to paying our taxes, to not engage in tax avoidance and to be transparent in our relationship with HMRC.

This tax strategy relates specifically to the UK, however we aim to maintain the same high standards across our global operations.

CFC Group Limited and all its relevant subsidiaries consider that the publication of this tax strategy fulfils its duty under paragraph 16(2) of Schedule 19 of the Finance Act 2016.

This tax strategy was approved by the CFC Group Board on 15 October 2025, in respect of the Group's financial year ended 31 December 2025.

Governance

Responsibility for the tax strategy, the supporting governance framework and management of risk in relation to UK taxation ultimately sits with the Chief Financial Officer, who is also the Senior Accounting Officer. Day-to-day responsibility for each of these areas sits with the Group Finance Director, who is supported in this by the Tax Manager. Tax processes and controls are subject to periodic review by internal and external auditors.

The Group's tax strategy aligns to the Group's wider risk and control framework. Key risks and issues related to tax are escalated to and considered by the Group Compliance and Risk Committee and to the Board of CFC Group at the discretion of the Chair of the Group Compliance and Risk Committee.

The Group also operates a number of internal working groups, which bring together the heads of the Legal, Finance, Compliance and Tax departments to ensure that commercial decisions are supported by timely and reliable tax advice.

Tax risk management

CFC Group is a diverse organisation operating primarily as an insurance Managing General Agent, with a growing Cyber Security business and a share in a Lloyd's Syndicate. Through our international operations we are exposed to a variety of tax risks that are managed actively with the aim of minimising any adverse reputational, regulatory or financial impact.

The Group manages tax risk under the wider risk management framework across the group, with activities supported by oversight functions including Compliance, Legal, Finance, Tax, Risk and Internal Audit.

The Group has a low tolerance toward tax risk that extends across all taxes. The tax consequences of any material transaction or project are considered by the senior stakeholders in their oversight and approval capacity, who review these in conjunction with the heads of the Legal, Finance, Compliance, Tax and Risk departments to ensure that commercial decisions are supported by timely and reliable tax advice.



The Group does not currently have any key risks relating to tax.

We have a commitment to full compliance with our tax obligations: filing returns and paying the right amount of tax at the right time. To support this commitment, we employ suitably qualified and experienced people in tax and finance roles, who keep their skills up to date through ongoing continuous professional development and training in key subject areas, including annual mandatory anti-financial crime training. We work with a network of external professional advisers to ensure the Group keeps up to date with changes to tax legislation and to help our teams to identify new tax risks and to implement processes to manage new tax obligations.

Where there is substantial uncertainty or complexity in relation to a tax risk, external expert advice is sought. Where appropriate, the Group looks to engage with tax authorities to disclose and resolve issues, risks and uncertain tax positions.

Were we to identify an error in any of our tax filings we would seek to submit a voluntary disclosure in a timely manner, providing HMRC, or the relevant tax authority, with full transparency of the issue identified. We would seek to quickly pay any amount due including interest and penalties.

Attitude of the Group to tax planning

The Group does not undertake or facilitate tax planning that does not support the Group's genuine commercial activity. In particular, the Group does not utilise complex structures or offshore tax havens to minimise or avoid tax liabilities.

The Group recognises it has a responsibility to pay the right amount of tax in each jurisdiction in which it operates and aims to do so while fulfilling its responsibility to its investors to structure its affairs in an efficient manner.

The Group acknowledges that there is a certain level of choice in structuring business arrangements and seeks to file tax returns that would not be subject to challenge. However, this does not preclude seeking to benefit from available and appropriate tax reliefs and incentives.

Approach towards dealings with HMRC

The Group aims to operate with an ethos of collaborative compliance with HMRC by being open and transparent in our communications to ensure they have appropriate information to assess our tax affairs. As appropriate, we actively engage with HMRC on a real-time basis in order to reduce our tax risk and to promote greater certainty in our formal submissions or notifications.