

UK Tax strategy for the year ended 31 December 2024

1. Introduction

This document has been prepared in order to comply with the requirement on UK large businesses or smaller UK businesses within a large global group to prepare and publish a tax strategy. This is a requirement of the Finance Act 2016 Schedule 19.

2. Scope and context

This strategy applies to Samsung Fire & Marine Insurance Company of Europe Limited ("SFME"), a wholly owned subsidiary of Samsung Fire & Marine Insurance Company (SFMI), a company incorporated in South Korea.

SFME is a non-life insurer authorised by the Prudential Regulation Authority (the PRA) and regulated by the PRA and the Financial Conduct Authority ("the FCA"). SFME's operations are conducted entirely within the UK although a significant number of its policyholders are located overseas. Its most significant class of business is goods in transit.

SFME's tax strategy covers all UK taxes applicable to SFME's operations including corporation tax, VAT, insurance premium tax and payroll taxes.

3. Compliance statement

SFME seeks to comply with all aspects of UK tax law and practice. Compliance means paying the right amount of tax at the right time and submitting all tax returns to HMRC in accordance with due dates.

4. Risk management and governance arrangements

SFME has a low tolerance for tax risk. Where risks arise in relation to the interpretation of and/or compliance with complex tax requirements, external advice will normally be obtained. This approach is fully shared by the parent company.

Overall responsibility for SFME's compliance with UK tax requirements and for the management of UK tax risks rests with the Chief Financial Officer. An experienced finance team supports the CFO in preparing tax returns, settling tax liabilities and generally monitoring changes to tax law. Compliance with UK legislation and regulation appears on SFME's risk register which is monitored by SFME's Risk Management Committee. Significant risks are monitored by the Board of Directors. SFME's Audit Committee sets the programme of work for the Internal Audit team annually and the scope of work will incorporate tax matters at appropriate intervals.

Samsung Fire & Marine Insurance Europe

5. Tax planning

It is SFME's policy to adopt a conservative approach to taxation issues and to ensure any tax planning has economic and commercial substance and is aligned to business and operational objectives. In particular, it will not employ aggressive tax planning or tax avoidance schemes in order to artificially reduce its UK tax liabilities. SFME will not support business activities and related tax efficiencies which have or threaten to have an adverse impact on the Samsung group's reputation and brand.

The services of tax advisers are engaged to obtain guidance on taxation issues facing SFME and, where appropriate, to support the timely and accurate production of tax returns.

SFME's operations are closely linked with that of its parent company, in particular through the coinsurance and reinsurance arrangements between SFME and SFMI and shared services such as the IT systems and actuarial support. SFME is an important representative of SFMI's business interests in the UK and Europe. SFME has controls which endeavour to ensure any tax implications (for example of transfer pricing and SFMI's trading presence within the UK) of these operational arrangements are appropriately dealt with such that both companies are compliant with UK tax requirements at all times.

6. Relationship with HMRC

It is the policy of SFME to maintain a transparent relationship with HMRC and to engage with HMCR with honesty, integrity and in a co-operative and professional manner. In matters of interpretation and complexity, SFME will seek to work proactively with HMRC to ensure SFME adopts appropriate systems and controls.