

Tokio Marine Underwriting Limited UK tax strategy

This tax strategy details the approach taken in relation to ensuring that the UK tax obligations of Tokio Marine Underwriting Limited are understood, properly managed and complied with. This tax strategy applies to all UK taxes applicable to Tokio Marine Underwriting Limited and the document is owned by the Board of Directors of Tokio Marine Underwriting Limited.

Tokio Marine Underwriting Limited operates its business responsibly, complying with all local laws and regulations that govern its operations, whilst seeking to be fair, honest and transparent in dealings with all of its stakeholders. Its UK tax strategy is consistent with this approach.

Approach to UK tax risk management

Tokio Marine Underwriting Limited has a strong risk reporting and risk governance system in place to ensure effective risk management of all areas of financial, operational and regulatory risk. Management of tax risks is undertaken on a basis consistent with the management of other risks.

The Chief Financial Officer is accountable, under the Senior Accounting Officer regime, for ensuring that the company has appropriate tax accounting arrangements in place. Tax is part of Tokio Marine Kiln's Finance function with day to day matters undertaken by the Tax Team.

The Tax Team, consisting of tax professionals, liaises with key internal stakeholders, including Finance and HR, as well as international colleagues, to identify, assess and control tax risks that arise as a result of Tokio Marine Underwriting Limited's size, complexity and the nature of its business or transactions. External advice is sought on specialist or uncertain matters, such as transfer pricing.

Controls and procedures are in place to mitigate the risk of inaccurate or late tax returns and tax payments and we are committed to compliance with UK tax law and practice. Changes to, and new, tax legislation or practices relevant to UK tax are monitored and procedures updated when required.

Approach to UK tax planning

Tokio Marine Underwriting Limited does not engage in UK tax planning that solely relates to the avoiding of tax or that involves an aggressive interpretation of tax law. It does consider tax planning involving tax incentives or opportunities intended through UK government policy. Where there are ambiguities, or the technical tax position in relation to our understanding of proposed transactions is not clear, then we will consult with external advisors and/or HMRC, where appropriate, with a view to following the correct treatment under tax law.

Acceptable tax risk

In line with Tokio Marine Underwriting Limited's wider policy in relation to financial risk management, the level of acceptable UK tax risk is at the cautious end of the spectrum, allowing the company to protect its capital and focus its risk appetite on underwriting.

This approach means that UK tax positions are not taken where it is deemed that a successful HMRC challenge to such arrangements would be likely.

Relationship with HMRC

Tokio Marine Underwriting Limited sees open, constructive and transparent discussions with HMRC as a key and valuable part of managing their tax compliance framework. We seek to engage with HMRC on an honest basis with real time working when necessary. Formal meetings to discuss group transactions, business developments and tax related issues are held with HMRC at least annually with more frequent informal contact as and when required.

Tokio Marine Underwriting Limited considers that that publication of this strategy complies with the duty under paragraph 16(2) of Finance Act 2016.

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