

AS OF 16 DECEMBER 2022

# Tax strategy

Sedgwick is a leading global provider of technology-enabled risk, benefits and integrated business solutions. The company provides a broad range of resources tailored to our clients' specific needs in casualty, property, marine, benefits, brand protection and other lines. Through the dedication and expertise of 30,000 colleagues across 80 countries, Sedgwick takes care of people and organisations by mitigating and reducing risks and losses, promoting health and productivity, protecting brand reputations, and containing costs that can impact performance. Embracing our five core values — accountability, collaboration, growth, inclusion and empathy — enables us to put our caring counts philosophy into practice every day.

## Tax governance

Sedgwick is committed to complying with all applicable tax laws, regulations and reporting and disclosure requirements. It is of primary importance that we seek to pay the correct amount of tax at the right time, under all relevant laws and regulations.

The responsibility for tax governance and tax risk management rests with our managing director of tax, who is supported by a team of tax colleagues based in the U.S. and UK. The managing director of tax reports to the global chief financial officer, who is a member of the executive leadership team (ELT). The ELT reports directly to Sedgwick's board of directors. The responsibilities of the managing director of tax and his team include the tax governance and risk management of UK companies within the group.

Compliance processes are handled by appropriately qualified staff or independent third-party experts.

Corporation tax and value-added tax (VAT) returns are prepared by external advisors from information supplied by the UK and other finance teams with the oversight of the international tax team. Pay as you earn (PAYE) and national insurance returns are the responsibility of the colleague resources (HR) team. Other income tax returns, such as CT61s and constructions industry tax deduction scheme returns that are relevant in the UK, are prepared by the UK finance team or the tax team directly, with appropriate internal and external review.

Tax processes are reviewed and refined by the tax team.

## Risk management

Sedgwick follows a risk management framework that is maintained by a global risk committee. We look to manage tax risk in line with other financial, commercial and operational risks to which the group is subject. Our tax risk appetite is low. We seek to minimise tax risk by ensuring the finance and tax functions are adequately staffed and trained to carry out their role effectively and by ensuring that appropriately qualified external advice is taken on a timely basis. Sedgwick obtains external tax advice where necessary. We continue to develop structured tax controls that are introduced into business processes and decisions in order to reduce tax risk.

## **Approach to tax planning**

Our attitude towards tax planning focusses on the effective management of the group's tax position in line with the broader commercial objectives to put customers first and deliver long-term economic value for the business. Sedgwick seeks to manage tax risks, as other risks, to ensure compliance with legal requirements in a manner that ensures payment of the right amount of tax.

We will utilise legitimate tax reliefs for the purposes for which they were intended by tax authorities. The UK tax authorities and other tax regimes often include tax credits or exemptions for commercial business activity. Where relevant, we will seek to claim these incentives if they are also consistent with the commercial objectives of the business to put customers first, deliver long-term value, and avoid significant risk. Where there is uncertainty, we may engage with tax advisors and/or tax authorities in order to confirm the right tax treatment. We do not engage in artificial tax structures or schemes.

## **Open and constructive relationship with tax authorities, including HMRC**

We are committed to the principles of openness and transparency in our dealings with His Majesty's Revenue & Customs (HMRC) and all tax authorities in a collaborative, courteous and timely manner.

Where there is uncertainty on a tax matter, we typically seek independent advice and work with tax authorities, including HMRC in the UK, to achieve resolution in an open and constructive manner.

## **This strategy**

This tax strategy relates to the year ended 31 December 2022 and is published in accordance with the requirements set out in paragraph 19 of Schedule 19 to the UK Finance Act 2016 to publish a tax strategy for a UK subgroup. References to "Tax" are to the taxes and duties set out in Schedule 19, which include income tax, corporation tax, PAYE, national insurance contributions, VAT, insurance premium tax and stamp duty land tax. This tax strategy applies to all Sedgwick legal entities covered by the requirements of Schedule 19.