



**PACIFIC LIFE RE**

## **Pacific Life Re Holdings Tax Strategy For the accounting year ending 31 December 2025**

### **1. Introduction**

- 1.1 The Pacific Life Re Holdings LLC ("PL Re") tax strategy is published to meet the obligation in accordance with Schedule 19 of the U.K. Finance Act 2016 for the year ending 31 December 2025 and for any other country with similar requirements.
- 1.2 PL Re (the "Division") is the global reinsurance division of the group of companies ultimately owned by Pacific Mutual Holding Company ("PMHC"). The Division operates in several territories and through a number of legal entities or branches to provide a variety of reinsurance products across 3 key Lines of Business (LoBs): (i) Protection; (ii) Savings & Retirement; and (iii) Capital Solutions. UnderwriteMe is an underwriting technology business and operates through UnderwriteMe entities. As approved by each BOD, this document applies to all PL Re entities and their branches except Pacific Life Re (Australia) Pty Limited ("PLRA") which has its own tax policies and strategy statement. For the avoidance of doubt, the following legal entities are covered under the PL Re Tax Strategy:
  - Pacific Life Re Global Limited (RGBM)
  - Pacific Life Re International Limited (RIBM)
  - Pacific Life Holdings Bermuda Limited (RHBM)
  - Pacific Life Services Bermuda Limited (RSBM)
  - Pacific Life Re Services Singapore Pte. Limited (RSSG)
  - Pacific Services Canada Limited (PSCL)
  - Pacific Life Re Services Limited (PLRS)
  - UnderwriteMe Limited (UME)
  - UnderwriteMe Technology Solutions Limited (UMTS)
  - UnderwriteMe Australia Pty Limited (UMA)
  - UnderwriteMe North America Corp. (UMNA)

PL Re's Tax Strategy is built on the following principles:

- Abide by and comply with all applicable tax laws.
- Take prudent steps to increase shareholders returns sustainably and within the risk appetite set by the relevant Board.
- Achieve a high standard of integrity as a responsible taxpayer and good corporate citizen.
- Maintain open, honest, and cooperative relationships and proactive engagement with all tax authorities.
- Embed tax risk management principles and practices into its organisational culture and processes.



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## **2. Approach to Taxation**

- 2.1 Our tax responsibilities play a key role in helping us contribute to wider society and our approach to tax is part of our commitment to a responsible conduct of tax affairs and dealing of tax risks. Our approach covers all applicable direct and indirect taxes.

## **3. Governance**

- 3.1 Executive responsibility of tax strategy sits with the PL Re Chief Financial Officer (CFO). Day to day responsibility has been delegated to the VP, Divisional Finance. The Division Finance team is staffed with qualified professionals with support from the PMHC Tax team and numerous external experts.

## **4. Attitude towards tax planning**

- 4.1 PL Re is a responsible taxpayer and manages its risks to ensure it pays the appropriate amount of tax and to comply with the tax rules of each jurisdiction it operates in.
- 4.2 External tax advice may be sought in relation to tax planning or areas of complexity to ensure PL Re remains tax compliant in all jurisdictions it operates in, without losing out on utilisation of tax incentives or opportunities for obtaining tax efficiencies.
- 4.3 PL Re's risk strategy explicitly states that reputational risk is a category of operational risk for which it has a low tolerance, including reputational risk caused by management of taxes. This is important because reputational risk is an important factor in choosing of reinsurance partners in the markets in which PL Re is active. Furthermore, the Division itself has a responsibility to avoid generating reputational risk which could damage the PMHC Group as a whole.

## **5. Tax compliance and relationship with tax authorities**

- 5.1 PL Re recognises the importance of developing and maintaining a transparent, constructive, and strong long-term relationship with national tax authorities and is committed to achieve this. PL Re adopts the principles of openness and transparency in its approach of dealing with tax authorities in the jurisdictions the PL Re operates.
- 5.2 PL Re is responsible taxpayers and manages its tax matters to ensure it is compliant with the tax rules of each country it operates within so that returns are filed, and tax liabilities are settled on time.
- 5.3 PL Re works with tax authorities to ensure that we pay the right amount of tax. PL Re will take advice from external tax advisors on interpretation of tax legislation specifically in complex or subjective areas where there may be differing interpretations of the tax consequences to a transaction or series of transactions.



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## **6. Tax Risk Management**

- 6.1 Tax risk management involves identification of risks, putting in place controls and systems to manage tax risk, defining key roles of those responsible for managing tax risk and level of involvement of senior management to mitigate tax risk.
- 6.2 PL Re defines tax risk as:
  - Any event, action, or inaction in tax strategy, operations, financial reporting, or compliance that either adversely affects the Division's tax position, core, and strategic objectives, compromises its tax principles or results in an unanticipated or unacceptable level of monetary, financial statement or reputational exposure; and
  - The risk of error or incorrect position is taken due to the failure of tax governance process and supporting controls that results in a material adverse tax adjustment or impact to the Division's competitiveness, and/or loss of trust and confidence, including relationships with taxation authorities.
- 6.3 As a large multinational organisation PL Re is exposed to a variety of tax risks:
  - Tax compliance and reporting risk, which covers risk associated with compliance failures such as submission of late or inaccurate returns, systems and controls are not sufficiently robust to support tax compliance and reporting requirements.
  - Tax planning risk, which arises as a result of transactions undertaken without taking appropriate consideration of tax consequences.
  - Tax accounting risks for adverse implication of inaccurate financial statements
  - Reputational risk looks at wider impact beyond financial implications of tax risk e.g., relationship with our stakeholders, tax authorities and the general public.

## **7. Tax Risk Governance**

- 7.1 Risk management activities within PL Re are overseen by the risk management function and Risk Management Committees. The Division Risk Management Committee ("DRMC") is responsible for risk oversight for the entire Division. The Division operates out of a number of offices and has a regional lead for each region to manage regional matters and are responsible for oversight of risk within their respective regions to support each LoBs.
- 7.2 PL Re considers tax risk as an operational risk. The operational risk policy documents its methods for identifying, assessing, monitoring, and controlling these risks. This policy applies to all the Division's operations. Although DRMC is the primary owner of this policy, ultimate responsibility for risk appetite and policy rests with the boards of directors of the carriers involved in writing the Division's reinsurance business. Accordingly, material changes to this risk policy will be subject to approval by the relevant legal entity boards as applicable where this has been identified as a board reserved matter.



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7.3 Individual Division within PL Re are tasked with the responsibility of the identification and assessment of risk (including tax risks) and implementation of appropriate controls. Risks are specified in detail on Division risk registers, where an owner is allocated. The risk owner is responsible for ensuring that appropriate controls are in place to mitigate the risks for which (s)he is responsible. Risk registers are reviewed for accuracy and completeness on a regular basis.

## **8. Change Control**

8.1 This policy is owned by the Manager, Tax, Divisional and must be reviewed on an annual basis

8.2 Substantive changes to this policy must be approved by DRMC. Minor changes may be approved by the Manager, Tax, Divisional. Where reserved to the board of any legal entity participating in the Division's business, material changes to this policy affecting such legal entity will be subject to review and approval by the relevant board and in relation to the Canadian Branch, the Chief Agent.

## **Appendix - Change History**

<b>Version</b>	<b>Summary of changes</b>	<b>Made by</b>	<b>Approved by:</b>	<b>Date</b>
1.0	First version of tax strategy	E Rahim		
1.1	KPMG comments updated	W Ahmed		28.11.2017
2.0	Updated entity names and descriptions. Annual Update	Wesley Reynolds		28.10.2019
3.0	Minor updates for 2020 including rewording to reflect legal entity structure changes.	S Percival		16.11.2020
3.1	Updated section order, legal entity application and responsibilities	C Post	RGBM and RIBM Boards	13.07.2022
3.2	Clarifying changes throughout document for 2023.	S Pabari	S Pabari	05.12.2023
3.3	Removal of Pacific Life Re Holdings Limited (PLRH) and Pacific Life Re Limited (PLRL) to reflect legal entity structure changes.	S Pabari	S Pabari	24.12.2024
3.4	Clarifying changes to reflect product led structures by lines of business	S Pabari	S Pabari	23.12.2025