First Central Group - Tax Strategy

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Introduction

The First Central Group, which consists of First Central Group Limited and its subsidiaries (together "the Group"), is an insurance and technology group focussed on the UK market.

The key entities within the Group, along with their main activities, are as follows:

- First Central Group Limited ("FCGL") is the parent entity based in Guernsey with strategic responsibility for all the Group's activities. It is the owner of all Group IP.

- First Central Underwriting Limited ("1CU") is the underwriting entity based in Gibraltar and regulated by the Gibraltar Financial Services Commission.

- First Central Insurance Management Limited (trading as 1st Central) is the Group's insurance broker - acting as the intermediary and policy administrator between the insurer and customers.

- First Central Services (Guernsey) Limited is a Guernsey based entity that provides intermediary and technology development services across the Group under licence from FCGL.

- First Central Services (UK) Limited is a UK based entity that provides back-office services, advisory services, technology development services and claim management repair services to the Group.

- 1st Central Law Limited ("1CL") was a UK-based entity through which personal injury legal services were previously provided to customers involved in non-fault road traffic accidents. On 8 April 2024, the business operations of 1CL were transferred to Carpenters Group, a leading UK traffic accident law firm. Subsequently, on 7 August 2025, 1CL entered Members' Voluntary Liquidation, with Lee De'ath and Tom Gardiner of Begbies Traynor appointed as Joint Liquidators.

First Central's tax strategy supports the strategic objectives of the Group and applies to both UK and non-UK taxes; and to all forms of taxation.

This document also serves to satisfy the Group's duty to comply with Paragraph 16(2), Schedule 19 of the UK Finance Act 2016 in respect of the year ending 31 December 2025.

Tax Risk Management

The Group maintains a Tax Risk Management Policy ("the Policy") which sets out the framework for managing tax risks.

The Board of FCGL is ultimately responsible for the Policy and it is reviewed at least annually. The boards of the subsidiary companies are also actively engaged in overseeing and adhering to the Policy as part of their wider fiscal and governance responsibilities.

The Policy establishes a cautious appetite to tax risk and aims to ensure that tax strategy, risk management and governance are coordinated when making business decisions with a tax dimension to, or arising from, them.

It is acknowledged that the global taxation landscape is complex and constantly evolving- which can introduce new and sometimes hard to foresee risks – especially in a fast moving and growing business. We are vigilant regarding these risks and actively monitor relevant local and international developments, using external professional advisors in a proportionate way where appropriate.

We recognise that the tax function is a key stakeholder in business change. Therefore, as a matter of policy, the tax function is involved in planning, implementation and documentation across a range of different business and finance initiatives.

Attitude to tax planning and risk

As a Group we are committed to paying the correct amount of tax when and where it is due.

The Group manages its tax affairs in a proactive manner, whilst at all times aiming to comply with both the spirit and the letter of all relevant tax laws and regulations. We utilise tax incentives – such as R&D tax reliefs- and look for tax efficiencies where they support genuine commercial activity and can, at a minimum, be supported by "more likely than not" tax positions.

The Group does not enter into artificial arrangements that lack commercial purpose in order to secure a tax advantage. Our aim is to ensure compliance with our statutory obligations - whilst recognising that tax is a cost of business and therefore needs to be sensibly managed.

Our approach to transfer pricing follows the "arm's length" principle as outlined in the OECD Transfer Pricing Guidelines, which we periodically validate with external tax advisors, and we regularly take advice on to ensure we have appropriate third-party benchmarking in place to support our filing positions - with functions, assets and risks appropriately understood and documented.

The Group aims to prevent unnecessary tax disputes by taking technically informed filing positions and working with tax authorities to minimise pre-filing uncertainty where possible. However, it is also recognised that, in the ordinary course of running a multi-jurisdictional business, disputes with tax authorities may arise.

Dealing with tax authorities

We adopt an open and engaged approach with tax authorities, notwithstanding the resource constraints and related "rules of engagement" that inform day-to-day interactions.

Where tax risk or uncertainty might exist - for example due to the interpretation of a legislative change – the Group is open to early engagement with the relevant tax authority if it believes this will mitigate the risk or avoid the uncertainty.

Where a particular transaction requires an advance clearance from a tax authority, we would not normally proceed with such a transaction unless that clearance is obtained.