

## **Brown & Brown Inc & Subsidiaries**

### **UK Tax Strategy**

Brown & Brown, Inc. & Subsidiaries (“the Group”) regards the publication of this UK tax strategy as complying with its duty under paragraph 16(2) of Schedule 19 of the Finance Act 2016 to publish its UK tax strategy in the current financial year, ended 31 December 2022.

References to ‘UK Taxation’ are to the taxes and duties set out in paragraph 15(1) of the Schedule which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, and Stamp Duty Land Tax. References to ‘tax’, ‘taxes’ or ‘taxation’ are to UK taxation.

Taking each of the requirements of Schedule 19 in turn:

#### **1. Approach of the UK Group to risk management and governance arrangements in relation to UK taxation**

Following acquisitions in the year to 31 December 2022, Brown & Brown, Inc currently operates in the UK through three sub-groups:

- Decus;
- Global Risk Partners; and
- BdB

##### **1.1 Governance**

Responsibility for the tax strategy, the supporting governance framework and management of tax risk ultimately sits with the Chief Financial Officer. Day-to-day responsibility for each of these areas sits with the Company’s Director of Tax. The Group’s tax strategy aligns to the Group’s wider risk and control framework. Key risks and issues related to tax are escalated to and considered by the Group’s Audit Committee.

##### **1.2 Tax risk management**

The Group’s subsidiaries presently operate globally and manages tax risks in a variety of ways including:

- The Group aims to manage tax risk in a similar way to any area of operational risk across the Group. The business is supported by oversight functions, including Tax and Internal Audit functions
- The Group routinely engages local country third party accounting and Legal firms to aid in the tax compliance, audit of financials, and the implementation of tax strategies as needed.
- As needed, the Group looks to engage with tax authorities to disclose and resolve issues, risks and uncertain tax positions. As a result, at any given time, the Group may be exposed to financial and reputational risks arising from its tax affairs although the tax risk management procedures in place mean that these risks are carefully controlled.

#### **2. Attitude of the Group to tax planning (so far as affecting UK taxation)**

The Group acknowledges its responsibility to pay the right amount of tax, as defined by all rules and regulations, in each of the principal jurisdictions in which it operates. The commercial needs of the Group are paramount, and all tax planning must have a business purpose. The economic benefits associated with tax planning must never override compliance with all applicable laws. The Tax Director will ensure that tax arrangements are well-understood and based on soundly researched principles. All material tax arrangements are vetted through local jurisdiction third party accounting and of Legal firms.

### **3. Level of risk in relation to UK taxation that the Group is prepared to accept**

The Group's tax risk appetite requires that, where tax law is unclear or subject to interpretation, the level of risk which the group accepts in relation to UK taxation is consistent with its overall objective of achieving certainty, where possible, in the group's tax affairs.

### **4. Approach towards dealings with HMRC and other tax authorities**

The firm seeks to comply with its tax filing, tax reporting and tax payment obligations globally. The Group's Tax Director recognizes the importance of developing a strong, collaborative relationships with HMRC, and the Group Tax Director will:

- Proactively manage Brown & Brown Inc.'s relationship with HMRC with the aim of minimizing the risk of challenge, dispute or damage to its credibility
- Participate in any tax authority formal consultation process where it is expected that the matter under consultation will have a material impact on the Group's liability or the Group's tax compliance management