



## XL Catlin Group Tax Strategy

**Our attitude towards tax planning:** We seek to deliver long term economic value to our shareholders. We are committed to fully complying with all tax laws, rules, and regulations which apply to the XL Catlin Group, without exception. We do not engage in aggressive tax planning transactions, and we will not enter into transactions which lack a commercial business purpose or are predicated upon unreasonable assumptions. When analyzing an uncertain area of the law, we will take into account both the letter of the law and the intent of the law; we will also seek counsel from internal and/or external experts, as appropriate, to ensure that our interpretation of the law is reasonable and consistent with current market practice.

**Our tax risk appetite:** From time to time, the application of the relevant tax law to our transactions and strategic planning initiatives may be uncertain. In such circumstances, we will strive to adopt tax positions which we believe would have a high probability of success to the extent that such positions were to be fully and fairly litigated before a court of competent jurisdiction on a fully informed and transparent basis. From time to time, when the availability of relevant statutory, regulatory or judicial authorities is limited, we may adopt a tax position which we believe has a more-likely-than-not probability of success and is supported by the opinion of external counsel.

**Our approach to tax risk management and governance:** We believe that tax risk should be prudently managed. We have established policies which govern our approach to managing and mitigating tax risk. In addition to the regular oversight provided by our auditors, the Group Enterprise Risk Committee and the Risk and Finance Committee of the Group Board of Directors regularly review the governance around our tax strategies and risks as well as the relevant internal controls associated with these strategies and risks.

**Our approach towards dealing with tax authorities:** We recognize that the tax authorities in the various jurisdictions in which we do business play an important role. We believe that a mutually open and transparent relationship is essential for creating long-term shareholder value. We will display respect, cooperation and integrity in all of our dealings with tax authorities.