



ENGIE UK 2021 Tax Strategy

About ENGIE UK

December 2021

In the UK ENGIE is a leading energy and services company focused on three key activities: production and supply of low carbon energy, energy and technical services, and regeneration.

Activities are combined to enable our customers and stakeholders to embrace a greener, more efficient and increasingly digital world.

Our purpose is to make zero carbon happen for businesses and communities throughout the UK & Ireland – accelerating the transition towards a net zero carbon world. Our employees make this possible by reducing energy consumption, greening supply and enabling progress through innovative technology, data and partnerships. We are also shaping the future of responsible business by reconciling economic performance with a positive impact on people and the planet.

The ENGIE Group strategy is to establish itself as a leading force in the energy and climate transition. The Group is focussing on creating value through allocating capital towards growth, particularly in Renewables, Networks and Asset-based Client Solutions.

Globally, the ENGIE Group employs 170,000 people and in 2020 achieved revenue of €55.8 billion.

ENGIE UK Tax Strategy

ENGIE's global tax policy has been in place since June 2015 and is regularly reviewed. The current version of the policy is reproduced at the end of this document.

All of ENGIE's subsidiaries in the UK follow the Group's global tax policy. For the purposes of Finance Act 2016 Schedule 19, paragraph 16(2), which requires UK groups to publish their tax strategies, this UK tax strategy describes how the global tax policy is interpreted and applied by ENGIE's UK subsidiaries in respect of UK taxation. By publishing the UK tax strategy, it is considered that Engie UK has complied with its obligations under Para 16(2) Sch 19 FA 2016 in respect of the year ended 31 December 2021. The following areas are covered by the UK tax strategy:

- **The approach of the Group to risk management and governance arrangements in relation to UK taxation**
- **The attitude of the Group towards tax planning (so far as affecting UK taxation)**
- **The level of risk in relation to UK taxation that the Group is prepared to accept**
- **The approach of the Group towards its dealings with HMRC**

The approach of the Group to risk management and governance arrangements in relation to UK taxation

ENGIE employs tax professionals in the UK who work as part of the Group's global tax function and who adhere to the UK tax strategy and the Group's global tax policy. There is a global framework of controls and processes to ensure compliance with tax filing obligations, mandatory disclosures, and to manage tax risks. Documented tax policies and procedures are maintained in relation to key tax processes in the UK and these are periodically reviewed and are subject to internal oversight.

Tax advice may be sought from external advisors in respect of material transactions, and when the global tax function do not have the expertise required in a particular area. Where applicable, clearances are sought from HMRC to agree the treatment and to provide certainty over the position of complex transactions.

The attitude of the Group towards tax planning (so far as affecting UK taxation)

The Group's ethics and compliance policy and Ethics Charter (found [here](#)) require its employees to make decisions in line with the following four principles:

1. Act in accordance with laws and regulations
2. Behave honestly and promote a culture of integrity
3. Be loyal
4. Respect others

ENGIE is committed to acting with honesty and integrity in respect of tax laws and regulations, and to paying its fair share of taxes in the countries in which it operates. Consequently, the Group's UK subsidiaries do not undertake aggressive or artificial tax planning with respect to UK taxation and comply with both the letter and the spirit of the law.

Transactions with related parties outside the UK are driven by commercial considerations and are executed on arm's length terms in line with international best practice (OECD Guidelines).

The level of risk in relation to UK taxation that the Group is prepared to accept

Internal governance of tax risk is integrated within the Group's broader business risk management and compliance framework. This approach ensures that tax risk is appropriately and effectively managed.

The approach of the Group towards its dealings with HMRC

The Group tax policy requires all its subsidiaries to build and maintain transparent and professional relationships with tax authorities around the world, and in the UK, we are committed to an open, transparent and professional relationship with HMRC based on mutual trust and collaborative working.

Where appropriate, the Group seeks advance clearance from HMRC on the proposed tax treatment of transactions. Where particularly complex or material transactions have been entered into, the UK business engages in dialogue with HMRC to provide explanations on particular matters to aid HMRC's understanding.