



## ENERGIA GROUP TAX STRATEGY

### INTRODUCTION

Energia Group is a leading independent energy company in the all-Ireland market. Operating under the Energia and Power NI brands with substantial businesses in both NI and the ROI and an annual turnover of circa €1.8 billion, the Group contributes a variety of direct and indirect taxes across its business operations (for example employment, VAT, corporate, business rates, and energy specific taxes).

This Tax Strategy has been approved by the Energia Group Board for the year ended 31 March 2021.

This Tax Strategy has been published to satisfy Energia's obligations under paragraph 19(2) Schedule 19 of the UK Finance Act 2016. For these purposes the UK entities of the UK sub-groups are listed at Appendix 1.

### ATTITUDE TO TAX RISK

Energia Group's appetite for tax risk is low.

The Group's policy is to manage its tax affairs in an efficient manner and in compliance with relevant legislation and guidance.

Energia Group seeks to ensure the appropriate tax is paid when due and ensure the filing of relevant returns on a timely basis through effective processes and systems, and employing people with the relevant qualifications and skills.

### MANAGING TAX RISK

Energia Group's Chief Financial Officer has overall responsibility for ensuring the Group has appropriate tax accounting arrangements in place (in line with the Senior Accounting Officer requirements in the UK) with oversight provided by the Energia Group Board.

The Energia Group Board is kept informed on a quarterly basis of material or complex tax issues, changes and risks.

The day to day operation of the Group's tax affairs are managed by the Group Tax Manager with certain duties, accountabilities and filings sitting with the businesses directly. These are documented to ensure responsibilities are clear.

Energia Group's tax risks are identified, assessed and reviewed at least annually and reported to the Risk Management Committee. Systems and procedures are put in place to manage and monitor these tax risks.

External advisers review Energia Group's tax processes and procedures on a rolling basis as part of Energia Group's internal audit.

External advice is sought where necessary to manage tax risk particularly in respect of corporate transactions and compliance with new legislation.

Energia Group Board approval is sought where necessary taking into account the complexity and materiality of corporate transactions.

### TAX PLANNING

Energia Group's use of tax planning supports genuine commercial activity and the Group does not engage in tax planning where the main purpose would be to gain a tax advantage.

Energia Group utilises tax reliefs and incentives where it considers it appropriate to do so.

External advice is sought where necessary to support decisions and ensure full compliance.

### WORKING WITH TAX AUTHORITIES

Energia Group manages its tax affairs so as to maintain its reputation as a well-run, open and compliant business.

Good working relationships are maintained with tax authorities based on trust and cooperation.

Energia Group is in regular contact with tax authorities where relevant to communicate significant transactions, and to seek clarity of interpretation of legislation to minimise tax risk and the potential for disputes.

Energia Group obtains certainty in relation to certain tax matters where possible by, for example, entering into Advance Thin Capitalisation Agreements with HMRC.

## APPENDIX 1

The UK entities of the UK sub-groups to which paragraph 19(2) Schedule 19 of the UK Finance Act 2016 applies are as follows:

Energia Group NI Holdings Ltd  
EI Ventures Ltd  
ElectricInvest Acquisitions Ltd  
ElectricInvest Holding Company Ltd  
Power NI Energy Ltd  
Energia Capital Ltd  
Energia Customer Solutions NI Ltd  
Viridian Enterprises Ltd  
Energia NI Holdco Ltd  
Energia Properties Ltd  
Energia Group NI FinanceCo plc  
Dargan Road Biogas Ltd  
Altamuskin Windfarm Ltd  
Clondermot Wind Ltd  
Cornavarrow Windfarm Ltd  
Eshmore Ltd  
Gortfinbar Windfarm Ltd  
Lisglass Wind Ltd  
Long Mountain Wind Farm Ltd  
Mosslee Ltd  
Slieveglass Wind Farm Ltd  
Thornog Windfarm Ltd  
Teiges Mountain Wind Farm Ltd  
Wheelhouse Energy (NI) Ltd  
Energia Renewables Company 1 Ltd  
Energia Renewables Company 2 Ltd  
Energia Renewables Company 3 Ltd  
Energia Renewables Company 4 Ltd  
Energia Power Resources Ltd  
Energia NI Storage Ltd  
Belfast Energy Storage Company Ltd  
Energia Hydrogen Ltd  
Pigeon Top Wind Farm Ltd