



SmartestEnergy Group

UK Tax Strategy

1. General principles and information

The purpose of this document is to set out the principles and approach of the SmartestEnergy Group in the UK ("SmartestEnergy") in conducting its tax affairs and managing its tax risks for the year ending on the 31st of March 2022.

SmartestEnergy is committed to a coherent, low-risk and transparent tax policy. As such, this policy will be continuously reviewed, and any amendments will be approved by the Board of Directors. SmartestEnergy does not take positions on tax matters that may create reputational risks. SmartestEnergy seeks to utilise all legitimate exemptions and allowances in accordance with normal business practises and HMRC guidance.

The companies that make up the SmartestEnergy Group in the UK are part of the wider Marubeni Corporation Group and are also committed to its world-wide corporate principles and code of conduct.

2. Tax policy objectives

SmartestEnergy is committed to conducting its tax affairs consistently with the following objectives:

- > Maintaining a 'low-risk' status with Her Majesty's Revenue and Customs (HMRC).
- > Applying diligence and care in the management of the processes and procedures by which tax activities are undertaken and ensuring that tax governance is appropriate.
- > Observing and complying with all applicable tax laws, legislation and practice in the UK and all other territories in which it operates.
- > Ensuring tax affairs are up to date, paying the right amount of tax due according to where true value is created, within the normal course of commercial activity, on a timely basis and claiming legitimate incentives, reliefs, and allowances where available.
- > Ensuring UK tax compliance is appropriately controlled and managed to meet its legal, regulatory, reporting requirements and accounting disclosures.
- > Maintaining a low-risk appetite in respect of taxation decisions and not undertaking planning that is contrived or artificial.
- > Ensuring a continued good working, transparent and honest relationship with the tax authorities and to undertake all dealings based on the concepts of integrity, collaboration, and mutual trust.
- > SmartestEnergy will only be involved in tax planning in line with legitimate business purposes and commercial rationale with economic substance; no tax planning is carried out that could have an adverse impact on the Group's reputation.
- > SmartestEnergy has a zero-tolerance approach to all forms of tax evasion and will not undertake any transactions that cause the company to commit a tax evasion offence nor facilitate a third party to commit such an offence.

3. Tax risk management

SmartestEnergy aims to arrive at well-reasoned conclusions for managing the specific tax risks identified ensuring governance and assurance procedures are appropriate.

The framework for managing tax risks is set out below:

- > Tax risks are actively identified, evaluated, monitored, and regularly reviewed on a case-by-case basis with diligent professional care and judgement to ensure they remain in line and consistent with the Group's risk-averse tax policies.
- > Where there is uncertainty as to the application or interpretation of tax law or legislation, professional written advice evidencing the facts, risks and conclusions is taken from external advisers for supporting and substantiating the decision-making process.
- > Roles and responsibilities are well defined with appropriate delegation of authority, accountability and training given to those concerned with managing SmartestEnergy's tax affairs ensuring tax decisions are taken at an appropriate level

SmartestEnergy is committed to complying with all UK tax laws to the letter and spirit of the law by managing their tax affairs with open and transparent practices



4. Engaging with HMRC

SmartestEnergy engages with HMRC with honesty and integrity and is committed to maintaining a professional, open, and transparent relationship in accordance with the published 'Framework for Co-operative Compliance' developed by the Organisation for Economic Co-operation and Development (OECD).

5. Board ownership and compliance with the Law

This tax strategy is approved and owned by the Boards of Directors of all companies covered thereof. The publication of this strategy is regarded as complying with the duty under Schedule 19 of the Finance Act 2016.

The companies covered by this strategy are:

- **SmartestEnergy Limited**
- **SmartestEnergy Business Limited**

Signed on behalf of all companies:

A handwritten signature in black ink, appearing to read 'R Groves', written over a light blue horizontal line.

Mr Robert Groves
Chief Executive Officer, SmartestEnergy Limited

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