

UK TAX STRATEGY
SIEMENS GAMESA RENEWABLE ENERGY UK SUB-GROUP

Background

Following the Corporate tax policy approved by the Board of Directors of Siemens Gamesa Renewable Energy S.A. (hereinafter, "SGRE S.A."), the following paragraphs describe the tax strategy applicable to the group entities in the United Kingdom. No deviations from the Corporate tax policy are described below but rather a specific detail to comply with the duty under paragraph 16(2) Schedule 19 FA 2016.

Scope

This strategy applies to SGRE Limited and to other UK companies headed by SGRE S.A. in accordance with Schedule 19 to the Finance Act 2016. In this strategy, references to 'SGRE S.A.' and 'the group' are to all these entities. A list of the entities to which it applies is set out below.

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 and to all corresponding worldwide taxes and similar duties in respect of which the Group has legal responsibilities.

This tax strategy was published on 23/03/2020 and the group regards this publication as complying with its duty under paragraph 16(2) Schedule 19 FA 2016 in its financial year ended 30 September 2023.

Objective

The fundamental objective of the SGRE S.A. group's tax strategy is to ensure compliance with the applicable tax provisions in all of the territories in which it does business, in line with the activities out in each of them. This fundamental objective, to respect and comply with tax rules, is appropriately combined with the achievement of the corporate interest and the generation of value sustainably over time for the shareholder, avoiding tax risks and inefficiencies in the implementation of business decisions.

Within this context and the framework of social corporate responsibility, the Company promotes responsible tax activities, taking into consideration the interests and the sustainable economic development of the communities in which it is included, endeavoring to ensure the appropriate application of good tax practices.

Governance in relation to UK taxation

- The tax strategy is approved by the board of directors of SGRE UK
- Executive management of the group is delegated by the board to the UK Managing Director with support from the regional head of tax;
- The UK Managing Director is the Board member with executive responsibility for tax matters;
- Day-to-day management of SGRE Limited's tax affairs is delegated to the regional head of tax;
- The tax team is staffed with appropriate qualified individuals;
- The board ensures that the group's tax strategy is one of the factors considered in all investments and significant business decisions taken.

Risk Management

- The group operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the group's financial reporting system;
- The group seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations;
- Processes relating to different taxes are allocated to appropriate process owners, who carry out a review of activities and processes to identify key risks and mitigating controls in place. These risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required;
- Advice is sought from external advisers where appropriate.

Attitude towards tax planning and level of risk

The group manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

When entering into commercial transactions, the group seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. The group does not undertake tax planning unrelated to such commercial transactions.

The level of risk which the group accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in its tax affairs. At all times the group seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen. In relation to any specific issue or transaction, the Board of SGRE Limited is ultimately responsible for identifying the risks, including tax risks, which need to be addressed and for determining what actions should be taken to manage those risks, having regard to the materiality of the amounts and obligations in question.

Relationship with HMRC

The group seeks to have an open, transparent and constructive relationship with HMRC through regular meetings and communication in respect of developments in its business, current, future and retrospective tax risks, and interpretation of the law in relation to all relevant taxes.

Entities to which this strategy applies:

Siemens Gamesa Renewable Energy Limited
Siemens Gamesa Renewable Energy Wind Limited
Siemens Gamesa Renewable Energy UK Limited (strike off application submitted)
Siemens Gamesa Renewable Energy B9 Limited (strike off application submitted)
Siemens Gamesa Renewable Energy Service Limited
Siemens Gamesa Renewable Energy Service GmbH
Siemens Gamesa Renewable Energy Limited branch in NI (Parent company SGRE Ltd., Dublin)