

EDF ENERGY RENEWABLES TAX STRATEGY STATEMENT

2018

About us

EDF Energy Renewables Ltd and subsidiaries (together the 'Group' or 'EDF ER') develop, build and operate renewable energy projects in the UK.

Our Tax Strategy

As we pursue our commercial goals we are faced with tax obligations and choices in how we meet them. To inform our behaviours in how we make these choices, we follow our Tax Strategy.¹ This Tax Strategy is aligned with the EDF Group Code of Ethics and applies throughout the Group. It is consistent with EDF's overall strategy, which aims to create value for Group employees and shareholders while upholding its reputation and commitment to responsible business practices.

Commitment to compliance

EDF ER is committed to meeting its obligations in relation to realised transactions and in respect of all tax obligations local, national and international.

We aim to act with integrity in all tax matters with a commitment to full compliance with all tax legislation and full disclosure to tax authorities in the jurisdictions in which we operate.

Our approach to managing risk and risk appetite

EDF ER is proactive in managing all financial risks, including tax risks, and utilises a robust governance framework throughout its business to ensure that there is the appropriate level of oversight and Board engagement. We manage tax risk to ensure they are highlighted and monitored and the most significant are managed and minimised.

Responsibilities for operating and monitoring risk management and internal control activities are clearly documented and communicated across the company. Education and training to ensure an appropriate awareness of roles, responsibilities and accountabilities are available for employees.

The Audit & Risk Committee regularly evaluate the effectiveness of processes for identifying and managing risks to the achievement of EDF ER objectives, and challenge and approve the company risk profile.

The Board of Directors (through the Audit & Risk Committee) is accountable for reviewing the effectiveness of EDF ER's internal controls.

Our approach to tax planning

- We aim to manage our tax affairs in an efficient and pro-active manner to ensure our tax attributes maximise value for our shareholders.
- We utilise tax incentives, exemptions and reliefs where they are relevant to our business.
- We only undertake tax planning to enable the elimination of tax risk created by our day to day business operations.

¹ We regard this Tax Policy statement to meet our obligations under paragraph 19(2) and paragraph 20, Schedule 19, Finance Act 2016.

Our approach to dealings with HMRC

- We work together with the tax authorities in a style that is open and honest in order to build positive, long term relationships.
- We aim to liaise with tax authorities real-time, maintaining regular contact and dialogue to ensure complete transparency of our tax liabilities and obligations.
- Where tax legislation is unclear, or may be considered unclear, we disclose our position and uncertainty to HMRC. This approach is applied proactively, to both current and future events and transactions.
- We continually review business processes to ensure they comply with tax legislation. Where these reviews discover errors we share these with HMRC to agree actions and impact on past, present and future tax liabilities.