

Secure Group Tax Strategy

This document, along with our underlying operational procedures in relation to Secure's tax affairs, which has been approved by the Board of Directors, sets out approach to conducting its tax affairs and dealing with tax risks as required under Finance Act 2016 for the financial year ending 31 March 2021.

The Tax Strategy is subject to ongoing reviews by the Board of Directors. This Tax Strategy is published on its website as well.

The UK Secure Group comprises of Secure Meters (UK) Limited, Secure Meter Asset Operator Limited, Secure SMSO Limited, and a number of other dormant subsidiaries.

The Directors do not see any major impact of Brexit on the tax strategy of the group.

Aim

Secure is committed to:

- complying with all applicable laws and regulations relating to its tax activities in the UK;
- maintaining an open and honest relationship with the UK Tax authorities; and
- ensuring the tax strategy is, at all times, consistent with its core values.

The specific core values that are relevant to Secure's tax affairs are:

- Trust;
- Fairness; and
- Respect.

Secure's core value of Trust means we do what we say we will do. This strategy is an example of setting out what we do.

Risk Management and governance

Secure's aim is to be a compliant tax payer who takes a low risk approach to tax. This means keeping our tax affairs as simple as possible to ensure that we pay the correct amount of tax.

Day to day tax activities are undertaken by specifically trained personnel, and a system of review is in place before all tax filings are made. Wherever possible, there are processes and controls in place to minimise the risk of errors.

Where appropriate, external tax support in relation to tax planning or structuring advice is obtained from professional advisors to support the Group's decision making process ensuring business decisions are undertaken in the full knowledge of current and likely interpretations of tax legislation and to mitigate potential areas of tax risk with any particular commercial transaction. All external advice is reviewed by the Directors to ensure that the principles in this tax strategy document are adhered to.

All tax matters are overseen by the Director, and the Board of Directors who provide governance over Secure's tax affairs in consultation with the Secure Group Board.

The processes and controls which support the tax strategy are regularly reviewed as part of Secure's approach to the Senior Accounting Officer legislation.

Risk the group is prepared to accept

Secure take a low risk approach to tax and we structure our affairs based on sound commercial rationale, our core values and relevant tax legislation. Aggressive tax planning is not considered and external advice is sought where appropriate. Consideration will be taken of the legal and fiduciary duties of directors and employees, the requirements of any related internal policies or procedures, and the maintenance of Secure's reputation.

Tax Planning

Secure's core value of Fairness means that we will aim to pay the correct amount of tax and aggressive tax planning is not undertaken. When making any decision, commercial rationale will always be the basis of our actions rather than specific tax reduction and we will not act in a way that knowingly contradicts the intent of legislation.

Secure will use Government approved incentives and reliefs to minimise the tax costs of conducting our business activities, but will not use them for purposes which are knowingly contradictory to the intent of the legislation.

Dealings with HMRC

Secure's core value of Respect means we aim to operate in all our dealings with HMRC with respect based on honesty and integrity.

Secure is committed to the principles of openness and transparency in our approach to dealing with HMRC, and in particular will:

- make fair, accurate and timely disclosure in correspondence and returns, and
- respond to queries and information requests in a timely fashion;
- Where uncertainties arise in relation to tax, will seek clearances from HMRC;
- seek to resolve issues with HMRC in a timely manner, and where disagreements arise work with HMRC to resolve issues by agreement where possible; and
- be open and transparent about decision-making, governance and tax planning on a real time basis.