

# Tax strategy

For avoidance of doubt, this tax strategy covers the recycling and recovery UK sub-group headed by SUEZ UK Group Holdings Ltd and herein referred to as “SUEZ UK”.

The publication of this statement is regarded as complying with Part 2 of Schedule 19 Finance Act 2016 in respect of the year ended 31 December 2018. It was approved by the Board for publication on 04 December 2018.

## Board ownership and oversight

This tax strategy is aligned with the four fundamental principles defined in the SUEZ Ethics Charter:

- + Compliance with laws and regulations
- + Integrity
- + Fairness
- + Honesty and respect for others

Board members and employees all have an absolute duty to act in a way that could never cast the slightest doubt on the ethical integrity of SUEZ.

The Board recognises that compliance with tax filing and payment obligations is one of its key responsibilities. In common with all aspects of the operation of its business, the oversight of tax is assigned to one member of the Board, namely the Chief Financial Officer (CFO), whose responsibility is to appraise the Board of key tax events. This allows all Board members to be adequately engaged in the tax affairs of SUEZ UK and thereby ensure adherence to their responsibilities.

## Approach to risk management and governance

The CFO is ultimately responsible for the management of any tax risk and for ensuring appropriate controls are in place and effective. Internal processes and controls support the tax compliance and transactional obligations of the business.

The UK Head of Tax is part of the Finance function that reports to the CFO and is supported by a Tax Department with appropriate professional qualifications and experience commensurate with the responsibilities required for their roles. The key functions of the Tax Department include advising the business on the tax implications of business transactions, monitoring tax-sensitive processes and controls, identifying and mitigating tax risks, and managing the tax reporting and compliance activities. The UK Head of Tax is responsible for the overall relationship with HMRC.

## Attitude towards tax planning

SUEZ UK has a strong commercial focus and as part of its duty to stakeholders will look to maximise value. This will include the utilisation of tax reliefs and allowances in the manner in which was intended by the tax authorities and statute. SUEZ UK does not engage in artificial tax arrangements.

Tax advice may be sought from external advisors in respect of material transactions and where there is significant uncertainty or complexity.

## The level of acceptable risk

The level of tax risk that is considered acceptable within SUEZ UK is continually evaluated and monitored in line with its business objectives. SUEZ UK's reputation, brand, and corporate and social responsibilities will inform the approach taken in any tax-sensitive transactions.

## Working with HMRC

SUEZ UK has an open and transparent relationship with HMRC, and is proactive in disclosing issues, risks and uncertain tax positions on a timely basis. Where differences of opinion arise, we work constructively with HMRC with a view to obtaining early resolution and certainty.