



Origin Enterprises plc

Tax strategy

31 July 2019

Scope

This strategy applies to UK subsidiaries of Origin Enterprises plc (together referred to as the Origin Enterprises plc UK Group) in accordance with Part 2 of Schedule 19 to the Finance Act 2016. In this strategy, references to 'Origin' or 'the Group', are to all these entities. The strategy is being published by Origin in accordance with paragraph 16(2) of the Schedule.

This strategy applies from the date of publication until it is superseded. 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 Origin has legal responsibilities.

Aim

The Tax Strategy of Origin aims to preserve and enhance the value and reputation of the Group in the context of its business activities. The Group has a well-deserved international reputation which it wishes to maintain and enhance.

Origin is committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The Group's tax affairs are managed in a way which takes into account the Group's wider corporate reputation in line with Origin's overall high standards of governance.

Governance in relation to UK taxation

- Ultimate responsibility for Origin's tax strategy and compliance rests with the Board of Origin Enterprises plc.
- The Audit and Risk Committee's requirement to monitor the integrity of Origin's financial reporting system, internal controls and risk management framework, expressly includes those elements relating to taxation.
- The Group Chief Financial Officer should, as a matter of practice, meet with the Audit and Risk Committee at least annually, and present to the Board on material issues as determined by the Audit and Risk Committee. However, if material issues arise, they will immediately be drawn to the Audit and Risk Committee's and Board's attention.
- Day-to-day management of Origin's tax affairs is delegated to the Group Chief Financial Officer, who reports to the Board and regularly seeks the assistance of the Group Finance Department.
- The finance teams are staffed with appropriately qualified individuals.
- The Board ensures that Origin's tax strategy is one of the factors considered in all investments and significant business decisions taken.

Risk management

- Origin 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.
- Origin 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 key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required.
- Appropriate training is provided for employees who manage processes or process transactions that have tax implications.
- Advice is sought from external advisers where appropriate.

Attitude towards tax planning and level of risk

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

When entering into commercial transactions, Origin seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation.

The level of risk which Origin accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the group's tax affairs. At all times Origin 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 and Group Finance Department 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

Origin seeks to have a transparent and constructive relationship with HMRC through regular meetings and communication in respect of developments in Origin's business, current, future and retrospective tax risks, and interpretation of the law in relation to all relevant taxes.

Origin ensures that HMRC is kept aware of significant transactions and changes in the business and seeks to discuss any tax issues arising at an early stage. When submitting tax computations and returns to HMRC, Origin discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain.

Any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.