Tax Strategy

This tax strategy applies to ABC Electrification Ltd, a legal entity incorporated to deliver the commercial joint venture between Alstom, Babcock and Costain.

Integrity and good conduct are central to our culture and approach to risk management. The company aims to comply with both the spirit and letter of the law in tax matters. Overall, ABC Electrification Ltd aims for full tax compliance with no levels of acceptable tax risk and seeks to:

- Comply in a timely manner with UK tax filing, reporting and payment obligations;
- Maintain open and transparent relationships with the tax authorities;
- Respond to queries and requests for information in a timely manner; and
- Agree unclear tax positions with HMRC upfront

The Board of Directors of ABC Electrification Ltd has ultimate responsibility for the tax strategy while responsibility for maintaining tax compliance in line with the tax strategy lies with the Finance Function. All financial governance and significant tax risks are communicated and considered at a senior management and Board level.

The company is supported in a number of areas on its tax compliance through the tax departments and systems of the respective company shareholders. In addition, the company with the support of third party advisors maintains a tax risk register to ensure that tax risks are identified, managed and controlled to a level that the company has confidence that the correct amounts of tax are calculated and paid at the right time.

External tax advice will be sought to the extent that the company does not have sufficient resource, knowledge or experience of the relevant tax matter or where it is desirable to get a third party perspective. All advice sought is in respect to maintaining tax compliance in line with paying the correct amount of tax at the correct time and does not involve tax deferral or avoidance planning.

The publication of this statement is regarded as satisfying ABC Electrification Ltd’s statutory obligation under Para 16(2), Schedule 19, Finance Act 2016 for the year ended 31 March 2018.