

UK Tax Strategy 2021

We regard this document as complying with the requirement to publish a UK tax strategy for the year ending 31 December 2021 in accordance with Schedule 19, paragraphs 19(2) and 20 of the Finance Act 2016.

Introduction

VPI is a UK-based power company, providing energy to the National Grid. VPI is part of the UK's pathway to Net Zero, complementing the increase in renewable energy to power homes and businesses. The portfolio includes hydrogen and carbon capture projects to help lower emissions and develop a future for decarbonised, dispatchable and flexible generation in the UK.

Compliance and Reporting

VPI will operate responsibly and comply with UK tax law and operate in an open and transparent manner with taxation authorities. VPI will seek to minimise the risk of uncertainty or unnecessary disputes.

Risk management and Governance

To manage risk as it deems appropriate VPI will seek professional guidance from external advisors or resource available from its shareholders. To minimise risk VPI may elect to outsource to suitably qualified providers taxation compliance and administration.

Taxation Planning

VPI will engage in efficient tax planning that is aligned with its commercial and economic activity. VPI will seek to use legitimate tax incentives and exemptions designed by governments to promote investment, employment and economic growth in the manner intended. VPI will apply these only where it believes they are in the interests of its shareholders.

Level of Risk

VPI will manage tax risk in a manner that ensures key risk areas are monitored and material risks minimised. Many factors will be considered as part of any tax arrangement or filing, these include reputational, fiduciary and commercial impacts. In the case of uncertainty VPI will seek professional advice in relation to taxation affairs.

Taxation Authorities

VPI will seek constructive and respectful relationships with taxation authorities and work collaboratively with the fiscal authorities to resolve any disputes and to achieve agreement and certainty.