

## **IQA Operations Group Limited – UK Tax Strategy**

This tax strategy has been prepared in accordance with requirements detailed at paragraph 19(2) Schedule 19 Finance Act 2016. This statement is applicable to the tax strategy of IQA Operations Group Limited and its dormant subsidiary Rainy Days Events Limited (collectively the “IQA Group”) both resident in the United Kingdom for the financial year ending 31 December 2017.

### **Introduction**

The IQA Group is a leading provider of contracted utility services to distribution network operators, the private sector and the public sector across the UK specialising in building services and a range of engineering solutions including upgrades to ageing cable and certain infrastructure. The IQA Group is a member of the worldwide Elecnor Group, headed by the ultimate parent company, Elecnor SA which is listed on the Spanish stock exchange.

Our tax strategy, as set out by the UK Board of Directors and summarised below, is founded on our core corporate values as defined globally by the Elecnor Group. These include commitment to integrity to ensure efficient, sound and transparent management together with a commitment to thorough compliance with respect to laws, societal norms and ethics.

### **Approach to Tax Planning**

We have a low tolerance to tax risk and seek to comply with all tax legislation and the spirit of the law, both in the UK and globally. We are committed to ensuring that our tax strategy is aligned with business and commercial strategy and that tax planning opportunities are evaluated within clear risk parameters and reflect the Group’s existing internal governance and compliance policies.

External tax advisors are employed to provide assistance with regard to certain tax matters and we would seek to consult with HM Revenue and Customs where appropriate to obtain certainty of treatment.

All transactions between Group companies are on an arm’s length basis in accordance with current OECD principles.

### **Approach to Relationships with HMRC**

We seek to be open and transparent in all dealings with the UK tax authorities and always seek to have open and constructive dialogue with HMRC.

The Company endeavours to respond timely and completely to requests for information from tax authorities. If any enquiry from HMRC were to arise, the Company would endeavour to respond in a timely manner to any requests for information and would work as quickly and collaboratively as possible in order to resolve such matters.

### **Approach to Risk Management and Governance**

In the UK tax is managed by the UK Finance Manager and his team who oversee tax risk management, including approval of policies and material tax positions. The team will seek professional advice on tax matters where needed to support the knowledge of the local team.

We have well developed and established internal controls which are monitored on an ongoing basis with support from Elecnor’s internal audit team to ensure that the policies and procedures that support our approach are in place, maintained and followed to ensure strong governance.