

Fluence Energy, Inc.
UK Tax Strategy
Published: 25 September 2023

Our Business Purpose

Fluence Energy, Inc. is publishing its UK Tax Strategy for the year ending 30 September 2023 in accordance with the requirements of Section 161 and Para 19(2) of Schedule 19 Finance Act 2016. The UK Tax Strategy applies to all Fluence Energy Inc's UK group companies and branches from the date of publication until it is superseded.

Fluence Energy, Inc. (NASDAQ: FLNC) was formed on 21 June 2021. We conduct our business operations through Fluence Energy, LLC, and its direct and indirect subsidiaries. Fluence Energy, LLC was formed on 30 June 2017 as a joint venture between Siemens Industry, Inc. an indirect subsidiary of Siemens AG, and AES Grid Stability, an indirect subsidiary of The AES Corporation and commenced operations on 1 January 2018. Fluence is enabling the global clean energy transition with market-leading energy storage products and services, and cloud-based software for renewables and storage assets.

As a renewable energy leader, we operate under a broad range of economic, political, social, and cultural customs and traditions, as well as different local, regional, and international laws and regulations. We believe it is our duty and responsibility to conduct business with the highest level of integrity, ethics and compliance in all situations.

Our UK Tax Strategy

Fluence believes that sustainable decision making includes careful consideration of tax consequences. We employ a balanced commercial perspective in our tax dealings to achieve reasonable and responsible outcomes that serve our stakeholders. We aim to fully comply with our obligations and to engage openly and honestly with HMRC and other tax authorities.

Our UK Tax Strategy applies to the taxes and duties set out in Paragraph 15(1) of Schedule 19 to the Finance Act 2016, so far as relating to or affecting the UK companies and branches in the Fluence group.

1. Our approach to risk management and governance arrangements

The effective management of all commercial risks, including tax, is a priority for Fluence and its subsidiaries. Our UK companies and branches are part of a global control framework through which our staff manage risks, supported where necessary by advisers.

Tax risks are monitored across the group on an on-going basis. We manage and enhance our tax processes, systems and controls through regular governance meetings and reports to identify, assess, manage and monitor tax risks arising from business transactions and operations, and changes in tax law.

2. *Our attitude to tax planning*

We operate within the letter and spirit of the applicable laws and regulations and we only undertake transactions that support genuine commercial activities. We pursue efficient tax positions built upon sound commercial practices.

We seek external professional advice where tax law is unclear or subject to interpretation.

3. *The level of acceptable risk in relation to UK tax*

We deliver results for our stakeholders in a sustainable manner by seeking to establish the tax consequences of a commercial transaction before entering into it, taking advice where necessary from external advisors and where appropriate, seeking confirmation whether formally or informally from a relevant tax authority.

We recognize the importance of our reputation and of our economic contributions to the communities we serve by paying the appropriate amount of tax in a timely manner.

We seek to adhere to the low-risk characteristics set out in HMRC's Business Risk Review methodology.

4. *Our approach towards dealings with HMRC*

Our approach towards dealings with HMRC and other tax authorities reflects the Fluence Values. We foster constructive relationships with tax authorities based upon mutual trust and respect.

We conduct ourselves in a constructive, open and transparent manner with HMRC, sustaining a good working relationship. By engaging in timely dialogue with tax authorities, we aim to prevent any unnecessary disputes.