



SWISSPORT UK TAXATION STRATEGY

1. INTRODUCTION

The Swissport UK Holdings Limited (Company Reg 7466896 as UK parent company and its subsidiaries undertakings hereinafter collectively referred to as “Swissport”) taxation strategy sets out the approach to achieving its tax objective.

The Strategy is prepared for the following purposes:

- ✓ To define Swissports tax objective
- ✓ To define an approved approach to tax management across Swissport, including the approach to tax planning, tax risk management and relationships with local tax authorities
- ✓ As a reference for Swissports managers to assist in their understanding of their tax strategy
- ✓ To aid understanding of external parties, including tax authorities, of Swissport’s tax strategy

This tax strategy document is published in accordance with the requirements of Schedule 19 Finance Act 2016 and applies from the date of publication until it is superseded.

The Swissport tax strategy applies to all forms of taxes payable, including direct taxes, indirect taxes, payroll based taxes, customs duties etc

Swissport UK holdings Limited is part of the Swissport Group (headed up by Swissport International Ltd) which itself is part of the HNA Group. The HNA Group is committed to comply with tax law and practices in different countries including tax filing and the other compliance requirements and manages global tax risk. Conducting an artificial tax plan without business purpose is not allowed in the HNA Group. Meanwhile, the HNA Group always try to identify, assess, manage and monitor the tax risk actively. The HNA Group engages with tax authorities with honesty, respect and fairness on tax co-operation.

2. SWISSPORT TAX OBJECTIVE

Swissport aims to ensure clear and demonstrable compliance with the applicable taxation laws established in the territories in which it operates.

Swissport’s tax strategy, as set out in this document, details how it aims to achieve the above objective. This covers the following areas:

- Tax planning and risk management
- Relationships with tax authorities

3. TAX PLANNING AND RISK MANAGEMENT

Tax risk arises from entering into transactions that have an uncertain tax outcome. In general, Swissport seeks to reduce these tax risks through the following mechanisms:

- ✓ Undertaking only transactions that fairly reflect the economic substance of Swissport's core businesses
- ✓ Setting transfer prices for internal transactions on an arms-length basis (subject to local regulations), in compliance with OECD guidelines
- ✓ Maintaining, where possible, simple legal entity hierarchies

Swissport will consider the tax consequences of its transactions as a factor in its planning processes, but will not undertake tax driven transactions, created with the primary purpose of reducing its taxation charge. In the event of a conflict, commercial considerations will always take precedence over the tax consequences of a transaction.

Swissport's internal governance is not prescriptive on any particular level of tax risk, that it is prepared to accept when considering a transaction. By engaging only in transactions that have genuine economic substance, Swissport aims to manage its future tax risks to minimize the chances of a future unexpected tax charges relating to historical transactions.

Tax risk also arises from errors in day-to-day tax processes such as payroll tax and indirect tax reporting. In general, Swissport seeks to reduce these tax risks through maintaining a fully-functioning tax risk management framework which is supported by a robust set of documented controls.

4. RELATIONSHIPS WITH TAX AUTHORITIES

Swissport aims to maintain an open and co-operative relationship with the tax authorities (e.g. HMRC). This is expected to be achieved through:

- ✓ Providing reasonable access to local Swissport senior managers
- ✓ Responding to questions in a timely manner
- ✓ Maintenance of appropriate taxation documentation
- ✓ Ensuring internal tax controls meet or exceed minimum regulatory standards
- ✓ In certain circumstances, agreeing positions on significant tax matters or unusual transactions in advance of returns being filed

Swissport conducts open and honest business dealings, recording transactions consistent with the economic substance of that transaction. Swissport believes in working in a transparent and collaborative way with tax authorities. Consequently, it aims to be considered as a low-risk tax payer by the tax authorities.