

This document sets out the UK Tax Strategy of the relevant UK entities in the 'ASL Aviation Group'. The ASL Aviation Group's business activities in the UK are conducted through UK 'qualifying companies', as defined in Paragraph 5(3) Schedule 19 FA 2016, referred to in this document as the 'ASL Aviation UK Group'. The 'ASL Aviation UK Group' refers to all the UK qualifying companies listed below.

- Air Contractors (UK) Limited
- ASL Airlines UK Limited
- ACL Aircraft Trading Limited (in liquidation)
- ACLAS Global Limited (in liquidation)

This strategy applies to all UK tax resident entities in the ASL Aviation UK Group. Each UK company regards this document as complying with its duty under Paragraph 22(2) Schedule 19 FA 2016.

This Tax Strategy applies to all UK taxes as set out in s15 of Schedule 19 Finance Act 2016 and any reference to 'tax', 'taxes', or 'taxation' are to all taxes as defined within. This Tax Strategy will be owned by the Board of Directors ('Board') and will be reviewed annually by the Board.

The Board is responsible for ensuring there is an appropriate framework for the implementation of the Tax Strategy and oversight of the identification and management of tax risk. The Board maintains responsibility for implementing new controls where material tax risks are identified.

The Board is supported by finance and tax teams who have responsibility for implementing the Tax Strategy and reporting back to the Board. A number of tax sensitive processes are performed within the finance and tax teams and each relevant individual is responsible and accountable for meeting their tax obligations, controls and policies as issued by the Board. Performance of the finance and tax teams, is reportable to the CFO who in turn reports up to the Board.

This Tax Strategy was approved for publication.

Risk management and governance arrangements

ASL Aviation UK Group is committed to ensuring that its tax affairs are open, transparent and compliant with tax legislation.

ASL Aviation UK Group's internal structure is set up to ensure:

- The Board understand the importance of tax compliance, and how it is achieved;
- There is a constant dialogue between the Board and those individuals tasked with the operation of the finance and tax function; and
- ASL Aviation UK Group portrays a positive view towards tax compliance and the importance of meeting its obligations.

The Board has established that the following principles will form the basis of management's philosophy and the Tax Strategy to achieve the vision of compliance and governance with respect to tax:

- Good governance: ASL Aviation UK Group seeks to comply with all relevant tax legislation;
- Internal control: Implement a system of internal controls in order to minimise tax risk;
- Training: Investing in training for those staff tasked with tax compliance and governance;
- External advice: Seeking specialist external tax advice where required.

Tax planning

ASL Aviation UK Group does not undertake aggressive or artificial tax planning, the sole purpose for which would be obtaining a tax advantage. ASL Aviation UK Group undertakes tax decisions and planning as part of its overall business strategy and engages the services of professional advisers to assist with major or complex business decisions in order to fully understand any associated tax risks.

ASL Aviation UK Group seeks to ensure that transactions are structured such that any tax reliefs or incentives available are realised in line with the intended tax legislation and only where there is a credible technical standing.

Attitude towards risk

The Board's on-going tax risk approach is based on principles of reasonable care and materiality. Each tax risk is measured based on a balance of impact (both financial and non-financial) of that risk and the likelihood that it will materialise. Risks identified are then communicated down to the finance and tax teams in order that they may be appropriately managed. There is no one level of risk that ASL Aviation UK Group is prepared to accept but each is considered on a case by case basis having taken into consideration all available facts and information.

ASL Aviation UK Group has close relationships with professional advisers that allows it to seek expert advice where necessary which in turn aids compliance.

ASL Aviation UK Group is conscious of the potential adverse publicity that a negative tax attitude can bring and seeks to minimise any reputational damage through the actions set out in this Tax Strategy.

Relationship with HMRC

ASL Aviation UK Group is committed to the principles of openness and transparency in its approach to dealing with HMRC. In line with HMRC's consultation on 'Improving Large Business Tax Compliance' ASL Aviation UK Group aims to:

- Promote a professional and collaborative relationship which is based on principles of transparency and justified trust;
- Make fair, accurate and timely disclosure in correspondence and returns, and respond to queries and information requests openly and honestly in a timely fashion;
- Resolve issues with HMRC in a timely manner, and where disagreements arise work with HMRC to resolve issues by agreement where possible;
- Ensure all interactions with HMRC are conducted in an open, collaborative and professional manner; and
- Disclose and correct any inadvertent errors as soon as is reasonably practical and implement controls to ensure future compliance.