



Tax Policy



a member of
Groupe ADP

Tax Policy



The tax policy of TAV Airports and Service Companies, in line with its strategy, seeks to preserve the reputation and image of the group and to mitigate the tax risks to which it is exposed through the performance and development of its operations.

The tax policy below applies to TAV Airports Holding and Service Companies that are subject to tax (referred to collectively as the “The Group”).

The Group tax policy complies with the rules and principles issued by the OECD which aim to locate and tax income where it is generated.

The Group must adopt a responsible approach to its tax practices, following an effective tax management model to ensure the Group’s tax efficiency in strict compliance with applicable laws and regulations around the world.

For this purpose, the Group’s tax policy is focused on the main principles below.

INTRODUCTION

Taxation is an important and fundamental topic for the Group and for our stakeholders, in terms of compliance, and our value, and therefore we actively manage, monitor, control and fulfill our legal obligations in the Group tax affairs.

With this policy, it is aimed to ensure standardization, transparency, predictability and equal treatment in tax affairs for the Group.

As the Group with operations spanning over various countries, we closely follow newly introduced tax legislation as well as amendments to existing regulations to ensure full compliance with applicable tax laws, in line with our core Corporate Governance principles.

The Group is dedicated to preparing and submitting accurate tax returns promptly and in accordance with the legal requirements of the jurisdictions in which we conduct business.

When shaping our business operations, we take into account the relevant tax obligations with the objective of creating sustainable value for both the Group and its stakeholders. Every entity within the Group, as a responsible taxpayer, is required to fulfill its tax liabilities in the countries where genuine economic and business activities are carried out, and in alignment with the manner in which the operations are conducted.

The Group manages its tax affairs with a focus on generating sustainable value, while taking into consideration the long-term interests of stakeholders, including customers, employees, business partners, investors, and governmental authorities. To this end, we continuously establish and enhance tax organizations with sufficient personnel, training, and systems, while also fostering tax awareness across the business units of the Group companies.

PREVALENCE OF ECONOMIC ACTIVITY

An efficient tax structure is generally encouraged to the extent that it is designed, sequenced and implemented in accordance with the law and it supports substantive economic activity.

In cases where the Group has legal, technical, or commercial reasons to carry out operations abroad, these must not be set up mainly for tax reasons.

In principle, the Group excludes any investment in tax havens or so-called “non-cooperative tax jurisdictions” under the OECD standards. Such investments may be undertaken only when they are motivated by real economic activities (e.g. airport construction) other than tax savings.

The same principle of economic reality underlies the transfer pricing policy. Transfer prices are set within the Group in accordance with the principles laid down by the OECD. In this respect, intragroup transactions may have an industrial or commercial purpose only and must be performed under arm’s length conditions, taking into account the operational environment, the location of intangibles (know-how, R&D) and the economic circumstances.

TAX INCENTIVES

The Group is committed to making full and effective use of the incentives, exemptions, and reliefs available under the legal and regulatory frameworks of the jurisdictions in which it operates, provided that such opportunities are consistent with the Group's commercial objectives and overall economic activities.

In this regard, the Group not only undertakes investments in assets but also engages in transactions that qualify for various tax incentives and benefits expressly recognized and authorized by the relevant laws and Regulations.

FAIR TAXATION OF OPERATIONS

The Group strictly address to international and domestic tax rules (i.e. local regulations, international treaties, European directives, principles issued by international organizations) and duly pays its taxes in the jurisdictions in which it operates.

In strict compliance with these rules, the Group pursues an efficient, proactive and fair tax management policy.

When applicable tax rules and principles are subject to interpretation, a favorable tax approach may be adopted to ensure the competitiveness of the Group's activities, insofar as this does not undermine the legal certainty of operations.

CONTROL OF TAX RISKS

The management of tax risks forms an integral part of the effective governance of the Group.

Continuous work is done to ensure the accurate calculation of tax costs through increased data reliability, the strong substantiation of technical positions, documented tax alternatives and ongoing improvements to the mapping and handling of tax risks within the Group.

The implementation of periodic reporting, regular tax reviews and monthly tax reconciliation ensures that financials reflect a correctly estimated tax expense.

The existence of specific procedures per tax contributes to the preparation of reliable and exhaustive tax returns in a timely manner and in compliance with applicable legislation.

Finally, the transparency of the Group operations and the building of constructive relationships with the public and tax authorities should contribute to the mitigation of risks of challenge, potential upward tax adjustments and reputational damage.

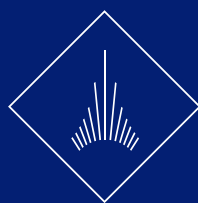
RELATIONSHIPS WITH TAX AUTHORITIES

The Group is committed to maintaining transparency with the tax authorities regarding its tax matters and providing relevant information to support their review. The Group ensures compliance with all applicable legal disclosure requirements. The Group Tax team expects local Finance teams and country tax leads to follow the principles outlined above.

Across all regions where we operate, we aim to maintain an open and constructive dialogue with tax authorities and other government bodies by sharing all relevant facts and information upfront. We ensure that tax filings are submitted on time and that requested tax-related information and documentation is provided promptly and accurately.

Serkan Kaptan
Chief Executive Officer





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