

# UK Tax Strategy (December 2017)



Schindler Ltd operates in the UK and Ireland and is also the parent company of Aurora Lifts Limited (together, referred to as Schindler UK Group or 'group' hereafter). Schindler UK Group installs and services a wide range of elevator and escalator products, which provide broad market coverage across the UK and Ireland. We are a national company with a proven project management capability in all regions of the country coupled with a first class service organisation.

As outlined in the [Schindler Code of Conduct](#), Schindler UK Group aims to maintain the highest standards of professional and personal conduct in their relationships with customers, fellow employees, suppliers, competitors, governments and communities.

This is also reflected in our other corporate and social responsibility documents, including our [Slavery & Human Trafficking Statement](#), [Schindler UK Environmental Policy Statement](#), and our dedicated [Corporate Sustainability Website](#).

This Tax Strategy has been developed by the UK Head of Accounting. In developing the Tax Strategy, we have aimed to align to these corporate and social responsibility principles specifically ensuring our approach to tax is aligned to our commitment to acting ethically and with integrity in all our business relationships.

## **Tax Management and Governance**

Responsibility for the group's approach to tax and the management of tax risk sits with the UK CFO. The day-to-day management of tax compliance sits with the UK Head of Accounting (supported by the group's local finance

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team), who report to the UK Head of Accounting and escalate any tax-risk matters as appropriate. Ultimate accountability for tax risk lies with the UK Board. UK Board meetings are held on a monthly basis. Tax is included on the agenda as necessary.

Schindler UK Group have developed systems, controls, policies, procedures and training to manage tax risk. Specifically, in relation to UK tax, the risks inherent in the calculation, collection and payment of employment taxes, excise duty, VAT and corporation tax are mitigated by these.

## **Tax Compliance and Reporting**

We are committed to observing all applicable laws, rules and regulations in meeting our tax compliance and reporting responsibilities everywhere we operate. In this regard, we have implemented effective tax compliance procedures.

We seek support and guidance from professional external tax advisors on significant tax areas and aspects of tax legislation, as appropriate.

In completing the Group's tax requirements, the Schindler UK Group aims to apply diligent professional care and judgement, including ensuring that all decisions are taken at an appropriate level and supported by documentation that evidences the judgements involved.

## **Attitude to Tax Planning**

We have a low risk attitude to tax planning, this means that all tax decisions, including in how we have arranged the group's legal structure, are made in response to commercial activity, and tax is one of many factors that are taken into account when making business decisions. We will not take an aggressive stance in our interpretation of tax legislation and align taxable profits with substance and economic value creation.

Schindler UK Group adhere to the OECD arm's length principle in transfer pricing matters.

We will apply diligent professional care and judgement to ensure all decisions are well-considered and documented. External advice may be sought in relation to areas of complexity or uncertainty to support the Group in complying with its tax strategy.

Schindler UK Group is part of the wider Schindler Group. Schindler Group's guiding tax principles are to comply with tax laws, to ensure transparent tax disclosures and to safeguard Schindler's reputation.

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## Interaction with HMRC

We maintain an open and transparent relationship with HM Revenue & Customs (HMRC) in how we manage tax compliance risk across all relevant taxes and duties. We discuss any key developments and events in our business and the potential impacts of those developments with HMRC in a timely manner. We disclose and seek to resolve any known issues prior to the filing of the tax return and we seek to maintain proactive cooperation with tax authorities in the case of HMRC tax investigations.

This Tax Strategy is applicable to all our tax activities in the UK. This document meets the requirement for the Schindler UK Group to publish its Tax Strategy as required by section 161 and section 16(2) of Schedule 19 of Finance Act 2016. It is effective for the year ended 31 December 2017 and covers all Schindler UK Group companies.

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