

## INTRODUCTION

Copenhagen Airports A/S (CPH) with its subsidiaries Copenhagen Airport Hotels A/S (CAH) Ejendomsselskabet KL Hotel A/S (KL) and Copenhagen Airports International A/S (CAI) is responsible for the development and operation of Copenhagen Airport and Roskilde Airport. Consulting services are provided to other airports to a minor extent. CPH is listed on NASDAQ OMX Copenhagen A/S.

Tax is a core part of CPH's corporate responsibility and CPH recognise the contribution that tax plays to the society.

## ACCOUNTABILITY & GOVERNANCE

The Board of Directors is ultimately accountable for the tax policy. Responsibility for tax risk management lies with the CFO and is overseen by the Audit and Risk Management Committee. The tax policy is approved by the Board of Directors upon recommendation by the Audit and Risk Management Committee.

CPH primarily operates in Denmark and taxes primarily comprise direct taxes and indirect taxes including VAT, property taxes etc. CPH is also responsible for withholding tax at source, labour- market contributions, social security contributions, etc. in connection with the payment of salaries and wages.

CPH is committed to maintaining a cooperative and long-term relationship with the tax authorities. CPH is thus open and transparent towards enquiries from tax authorities and seeks an open dialogue where possible with tax authorities.

This tax policy is reviewed yearly with subsequent approval. Last approved on March 1, 2022.

## JOINT TAXATION

The CPH Group is jointly taxed with Copenhagen Airports Denmark ApS (CAD), Copenhagen Airports Denmark Holding ApS (CADH) and Kastrup Airports Parent ApS (KAP). KAP is ultimately owned by ATP and OTP. Accordingly, KAP is the ultimate holding company of CPH.

KAP is the management company for the jointly taxed companies and settles corporation taxes to the tax authorities. The CPH Group pays tax on account to KAP and settles tax underpaid/overpaid with KAP when the annual tax assessment notices are received from the tax authorities.

The guidelines for CPH's payment of corporation tax on account, tax underpaid, interest on tax underpaid, etc. are set out in an agreement with the administration company.

Airports Coordination Denmark A/S, 50% owned by CPH and Smarter Airports A/S, 50% owned by CPH are subject to independent taxation.

## TAX RISK MANAGEMENT

CPH continuously work to eliminate the exposure to tax risks considering the inherently complex legislation and practice regarding taxes and duties to the greatest extent possible. CPH will pursue this in a proactive approach partly through qualified in-house knowledge and procedures and partly through seeking third-party advice as and when needed.



CPH ensures guidelines and procedures are in place to manage financial, regulatory and reputational risk associated with taxation. Tax risks and reputational risks must be identified and assessed by the Company's management on an ongoing basis as part of the general risk management:

- Overall, CPH aim to comply with rules and regulations regarding taxes and duties, and thus reduce any reputational risk to an acceptable level
- CPH will do so in a transparent way, allowing the authorities to carry out inspections in a feasible manner
- Based on current legislation and practice, CPH will lay down guidelines and procedures (for example in CPH's Manual for VAT and Excise Duties) for its in-house business procedures and controls applied in the calculation and settlement of taxes and duties
- In the event of doubts about the understanding of tax legislation and practice, CPH will seek expert third-party advice, and a binding advance notice, if deemed feasible
- Through a Whistle Blower Hotline, CPH provide opportunities for stakeholders to raise any issues of concern in person or anonymously.

CPH stakeholders must act with integrity and maintain high ethical standards when exploring tax optimization opportunities.

## **ATTITUDE TOWARDS TAX PLANNING/OPTIMISATION & INCENTIVES**

CPH complies with both the letter and the spirit of tax laws and regulations of the countries in which CPH operate. CPH cooperates with authorities along with other relevant stakeholders and is committed to providing them with timely, relevant, complete information that is required for the enforcement of applicable tax laws. CPH practices an arm's length principle with regards to transfer pricing.

CPH has adopted a transparent and consistent approach in relation to all tax matters and always endeavours to ensure that the tax position of CPH reflects the business reality of the transaction at hand. CPH will not engage in aggressive tax planning and will only optimize the tax position driven by business reason. If relevant for the business CPH will utilise government sponsored tax incentives and reliefs.