

Aimia UK Group Tax Strategy

This paper sets out the tax strategy of the Aimia businesses operating in the UK. Those businesses are hereafter collectively known as the “UK Group” and include:

- Aimia Holdings UK Ltd
- Aimia Holdings UK II Ltd
- Aimia Acquisition UK Ltd
- Aimia Foreign Holdings UK Ltd
- Aimia EMEA Ltd
- Aimia Coalition Loyalty UK Ltd
- Aimia Services UK Ltd
- Aimia Loyalty Analytics UK Ltd
- Aimia Proprietary Loyalty UK Ltd
- Aimia Newco LLP
- Zed Inc Ltd

The principal activities of the companies in the UK Group are to manage the Nectar customer loyalty programme, manage intellectual property and provide customer-driven insight, data analytics services and other marketing and loyalty services.

This tax strategy applies to all UK taxes applicable and is approved by the board of Aimia Holdings UK Ltd.

This document sets out the UK Group's approach to conducting its tax affairs and dealing with tax risks for the year ending 31 December 2016.

The publication of this strategy statement fulfils the statutory obligation under Paragraph 16(2) of Schedule 19 to the Finance Act 2016.

Code of ethics

All Aimia employees are required to comply with the company code of ethics and certify to this effect. The code drives behavioural and ethical requirements consistent with Aimia's business and strategic objectives and is available on Aimia's website.

Key principles

The UK Group is committed to:

- Following all applicable laws and regulations relating to its tax activities.
- Maintaining an open and honest relationship with the tax authorities based on collaboration and integrity.



- Applying diligence and care in our management of the processes and procedures by which all tax related activities are undertaken, and ensuring that our tax governance is appropriate.
- Using tax incentives and reliefs so long as these reliefs are not used for purposes which are considered to be contrary to the intent of the legislation. We will seek to utilise legitimate tax incentives and statutory alternatives offered by governments in the spirit for which they were intended.

The approach of the group to risk management and governance arrangements

Tax risks are identified and assessed on a case by case basis, with the goal of arriving at well-reasoned conclusions on how each individual tax risk should be monitored and managed.

Where there is uncertainty in how the relevant tax law should be applied, external advice may be sought to support the UK Group's decision making process.

The governance framework is intended to ensure appropriate tax governance through identification, challenge and management of tax risk. Director of treasury and taxation provides another level of assurance to identify, evaluate and monitor these risks. Decisions are taken with diligence and care and are supported by appropriate documentation.

When reviewing the tax risks associated with a specific decision or action, in addition to taking appropriate advice, the following are considered:

- The legal and fiduciary duties of directors and employees.
- The requirements of any related internal policies or procedures.
- The maintenance of the UK Group's corporate reputation, having particular regard to the way we interact with the communities around us.

Attitude towards tax planning

The UK Group has clearly defined lines of responsibility for its tax affairs, with decisions being taken in line with the UK Group's tax authority thresholds, ensuring that they are taken at an appropriate level.

The UK Group's tax planning aims to support the commercial needs of the business by ensuring that the companies affairs are carried out in a manner that reduces tax liabilities where it is reasonable and appropriate to do so and in compliance with all relevant laws. Available reliefs and incentives will be claimed where it is permissible to do so.



The tax function is therefore involved in commercial decision making processes and provides appropriate input into business proposals to ensure a clear understanding of the tax consequences of any decisions made with reference to its reputational, operational and financial impact.

Steps are taken to reduce tax liabilities only where it is considered that the consequences of such steps are consistent with the economic consequences or are otherwise aligned with the intention of Parliament.

The level of risk in relation to UK taxation that the UK group is prepared to accept

The UK Group does not have specified levels of acceptable tax risk.

Tax risks, as with other risks, are managed within the overall risk framework established by the Board, which determines the degree of risk that is acceptable.

All tax planning is undertaken only following a diligent review of the consequences and, where there is technical uncertainty, on the basis of appropriate advice.

Approach towards dealings with HMRC

The UK Group is committed to the principles of openness and transparency in its approach to dealing with HMRC, and in particular the UK Group commits to:

- Respond to queries and information requests fairly and in a timely fashion.
- Work proactively with HMRC to resolve issues and, in particular, where disagreements arise interpreting tax legislation, work with HMRC to resolve issues by agreement where possible.
- Be open and transparent about decision-making, governance and tax planning.
- Ensure all interactions with HMRC are conducted in an open, collaborative and professional manner.