

Agility Public Warehousing Company K.S.C.P. TAX STRATEGY

This paper sets out the tax strategy of Agility Public Warehousing Company K.S.C.P. ('Agility') and its UK subsidiary undertakings (the 'UK Group'), and in making this strategy available the UK Group is fulfilling its responsibilities under Part 2 of Schedule 19 of the Finance Act 2016.

This tax strategy applies to all UK taxes applicable to the UK Group and the document is issued by the Board of Directors of Agility. It will be reviewed annually, amended as appropriate and approved by the Board.

The Board is responsible for setting and monitoring the strategy. The finance teams of the UK Group are accountable to the Board for the implementation of the tax strategy and the management of tax and related risk.

Our tax strategy reflects our status as a listed company in Kuwait which requires strong governance and consideration of our reputation, while delivering returns to our shareholders. Our tax strategy also reflects the regulated nature of our business, which requires further compliance with local laws, regulations and guidance.

How the UK Group manages its tax risks

The UK Group's on-going approach to UK tax risk management and governance is based on the principles of reasonable care and materiality, and ensuring we comply with our status as a publically listed company within a regulated market as detailed above.

We follow the Agility risk management system as part of our internal control processes. We identify, assess and manage tax risks and account for them appropriately. We implement risk management measures including controls over compliance processes and monitor their effectiveness.

We report on a periodic basis to the Agility financial risk committee on how tax risks are managed, monitored and assured and on improvements that are being made. In this way the Agility financial risk committee provides governance and oversight of tax risks.

The UK Group's strategic aim is to maintain its low UK tax risk rating as determined by HMRC's Business Risk Review process. The UK Group seeks to achieve this aim through:

- a) Submission of all UK tax returns on a timely basis, including sufficient detail to enable HMRC to form an accurate view of the affairs of the company filing the return with an adequate supporting audit trail and sign-off process
- b) Paying the appropriate amount of tax at the right time. Where this view may differ to the position taken by HMRC, the UK Group aims to be transparent about the filing position it has taken
- c) Maintain tax accounting arrangements which are robust and accurate and comply with the Senior Accounting Officer (SAO) provisions in the UK
- d) Ensuring that the Agility departments who are involved in the UK Groups tax processes are both adequately resourced, supported and that key personnel are retained in order to manage tax compliance issues on a timely basis
- e) Ensure that all tax filing positions are supported with appropriate documentary evidence

Agility's Group tax department is part of a central finance function that reports to the Agility Group CFO. The Agility Group Head of Tax leads a small team of highly experienced ex-Big 4 highly engaged tax professionals with appropriate qualifications and experience commensurate with the responsibilities required for their roles.

We are committed to providing team members with training as required to facilitate performance of their roles and to achieve their personal development objectives.

Tax advice may be sought from external advisors in respect of material transactions, especially when the Agility Group Tax department do not have the expertise required in a particular area e.g. expansion into a new country/market. The Agility Group Head of Tax is responsible for the appointment of external advisors subject to regulatory restrictions on using providers vis a vis audit and non-audit services, and agreeing terms of engagement approved by the Agility Group's legal and procurement departments where appropriate. Such terms must adhere to Agility's corporate governance and risk management policies, including the Agility Code of Conduct. Where Agility and its UK Group outsource tax work to outside advisors (including elements of compliance) , the Agility Group Head of Tax should approve and ensure that the principles in this document are adhered to.

The UK Group's attitude to tax planning

The UK Group will not engage in artificial transactions the sole purpose of which is to reduce UK tax. However the UK Group will consider different tax outcomes when considering how to structure commercially motivated transactions, but does not undertake aggressive tax planning. The UK Group will not engage in tax efficiencies if the underlying commercial objectives do not support such tax efficiencies, or if the arrangements adversely impact the UK Groups reputation, brand, corporate and social responsibilities, or future working relationships with HMRC. We understand the importance of corporations not willfully engaging in tax schemes that go against the intention of legislative authority.

Working with HMRC

In its dealings with HMRC, the UK Group will act in an open, honest and transparent manner. The UK Groups strategic aim is to avoid unnecessary disputes with HMRC and thus minimize tax risk. We will seek to achieve this through:

- a) Where appropriate, seeking pre-transaction clearances from HMRC
- b) Proactive approach to the resolution of tax disputes/audits as it pertains to the provision of information to HMRC

Further information

Our approach to tax is applicable across the Agility group. We review and update this annually. It was last approved on 30 June 2017. You can email Agility's Group Head of Tax, Ian Wheldon, at IWheldon@agility.com.