

thyssenkrupp Tax Strategy

Scope

This strategy applies to thyssenkrupp Plc and to the group of companies headed by thyssenkrupp Plc in accordance with paragraphs 16 and 19 of Schedule 19 to the Finance Act 2016. A list of the entities to which it applies is set out below. In this strategy, references to ‘thyssenkrupp p Plc’, ‘the firm’ or ‘the group’ are to all these entities. The strategy has been published in accordance with paragraph 16(4) of the Schedule.

This strategy applies from the date of publication until it is superseded. References to ‘UK Taxation’ are to the taxes and duties set out in paragraph 15(1) of the Schedule which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, and Stamp Duty Land Tax. References to ‘tax’, ‘taxes’ or ‘taxation’ are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which the Group has legal responsibilities.

Aim

thyssenkrupp Plc is committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The group’s tax affairs are managed in a way which takes into account the group’s wider corporate reputation in line with thyssenkrupp Plc’s overall high standards of governance.

Governance in relation to UK taxation

- Ultimate responsibility for thyssenkrupp Plc’s tax strategy and compliance rests with the Board of thyssenkrupp Plc;
- Executive management of the group is delegated by the Board to the UK Chief Financial Officer (‘CFO’)
- The UK CFO is the Board member with executive responsibility for tax matters and communicates with and advises the Board on the tax affairs and risks of the Group, to ensure:
 - the proper control and management of tax risk;
 - the tax position is planned in line with the Group’s strategic objectives;
 - the tax charge is correctly stated in the statutory accounts and tax returns; and
 - all tax compliance is completed in a timely manner to HMRC.
- Day-to-day management of thyssenkrupp Plc’s tax affairs is delegated to the legal entity Finance Directors, who report to the CFO;
- The various entity finance teams report to the CFO and get tax training in accordance with their roles.
- The Board ensures that thyssenkrupp Plc’s tax strategy is one of the factors considered in all investments and significant business decisions taken;
- The CFO reports to the Board on thyssenkrupp Plc’s tax affairs and risks during the year.

Risk Management

- Effective risk management is paramount for the Group and underpins its business Policy.
- thyssenkrupp Plc operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the group's financial reporting system;
- thyssenkrupp Plc seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations;
- Processes relating to different taxes are allocated to appropriate process owners, who carry out a review of activities and processes to identify key risks and mitigating controls in place. These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required;
- Appropriate training is carried out for staff outside Tax team who manage or process matters which have tax implications;
- Advice is sought from external advisers where appropriate.

Attitude towards tax planning and level of risk

thyssenkrupp Plc manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.

When entering into commercial transactions, thyssenkrupp Plc seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. thyssenkrupp Plc does not undertake tax planning unrelated to such commercial transactions.

The level of risk which thyssenkrupp Plc accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the group's tax affairs. At all times thyssenkrupp Plc seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen. In relation to any specific issue or transaction, the Board is ultimately responsible for identifying the risks, including tax risks, which need to be addressed and for determining what actions should be taken to manage those risks effectively, having regard to the materiality of the amounts and obligations in question.

Relationship with HMRC

thyssenkrupp Plc seeks to have a collaborative, open, honest and constructive relationship with HMRC through regular meetings and communication in respect of developments in thyssenkrupp Plc's business, current, future and retrospective tax risks, and interpretation of the law in relation to all relevant taxes.

thyssenkrupp Plc ensures that HMRC is kept aware of significant transactions and changes in the business and seeks to discuss any tax issues arising at an early stage. When submitting tax computations and returns to HMRC, thyssenkrupp Plc discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain.

Any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.

List of entities covered by this Tax Strategy

thyssenkrupp Systems Engineering GmbH
thyssenkrupp Airport Services S.L.
Roballo Engineering Company Limited
thyssenkrupp Industrial Solutions Oil & Gas Limited
thyssenkrupp Uhde Energy and Power Consultants Limited
thyssenkrupp Marine Systems GmbH (UK branch)
thyssenkrupp Technologies Beteiligungen GmbH
thyssenkrupp Services UK Limited
thyssenkrupp Marine Systems LLP
Berco (UK) Limited
thyssenkrupp Materials (UK) Limited
thyssenkrupp Access Limited
thyssenkrupp Aerospace International Holdings Limited
thyssenkrupp Aerospace UK Limited
thyssenkrupp Systems Engineering Limited
thyssenkrupp Mannex UK Limited
The Britannic Lift Company Limited
Lift & Engineering Services Limited
thyssenkrupp Aufzuge Limited
thyssenkrupp Elevator UK Limited

thyssenKrupp UK Plc

Third Floor, Friars Gate 1, 1011 Stratford Road, Shirley, Solihull, B90 4BN
Tel.: +44 (121) 713 7280 Website: www.thyssenkrupp-uk.com
Registered in England: 2452909

Directors: T. Sargeant, M. Whetton

thyssenkrupp UK Plc



Polysius Limited
thyssenkrupp Automotive (UK) Limited
thyssenkrupp Knowsley Limited
thyssenkrupp Bilstein GmbH
thyssenkrupp Woodhead Limited
thyssenkrupp UK Plc
Hytrac Lifts Ltd
Atlas Elektronik UK (Holdings) Ltd
Atlas Elektronik UK Ltd

thyssenKrupp UK Plc

Third Floor, Friars Gate 1, 1011 Stratford Road, Shirley, Solihull, B90 4BN
Tel.: +44 (121) 713 7280 Website: www.thyssenkrupp-uk.com
Registered in England: 2452909

Directors: T. Sargeant, M. Whetton