

The ATCO logo is rendered in a bold, white, sans-serif font, centered on the page. The background features a stylized, semi-circular map of the world in a darker shade of blue, set against a lighter blue gradient.

ATCO

UNITED KINGDOM TAX STRATEGY TRANSPARENCY

FOR THE YEAR ENDED DECEMBER 31, 2016

Clause 65 of United Kingdom's Finance Bill 2016 requires certain businesses to disclose the contents of their group UK tax strategy. Although the ATCO Group currently has very little activity in the UK, it falls within Clause 65's requirements to make such disclosures.

Introduction

ATCO is committed to complying with UK tax laws in a responsible manner and to having transparent and professional relationships with UK tax authorities. ATCO's approach to tax fits squarely within its code of conduct, which sets out what is expected of all ATCO employees.

ATCO's approach to UK tax is as follows:

Planning and Risk Management

Governance standards within ATCO require that the tax implications of any significant transactions are reviewed, discussed and approved by ATCO's executive level, the Board of Directors level, or both.

As part of ATCO's internal controls process, ATCO's tax group periodically reports to ATCO's risk committee on the implications and status of any significant tax risks and how such risks are being managed.

The ATCO Group takes a business-focused approach to tax planning. ATCO does not create artificial tax schemes or arrangements that do not support its business objectives.

ATCO transacts between its international affiliates on an arm's length basis, adhering to transfer pricing principles set out by the OECD.

Dealings with Tax Authorities

ATCO seeks to cultivate professional and transparent relationships with UK tax authorities. ATCO supports all measures to simplify and increase efficiency of the UK tax system and how it is administered.

Tolerance for Risk

Tax planning is an important part of ATCO's approach to managing risk in its business activities. To the extent it engages in any UK tax planning activities, ATCO considers its risk tolerance to be low.