

United Continental Holdings, Inc. Tax Strategy

United Continental Holdings, Inc. is a holding company and its principal, wholly owned subsidiary is United Airlines, Inc. (“UAL”). UAL is headquartered in Chicago, IL, USA and operates a branch location in the United Kingdom. As an air transportation company, UAL is exempt from income tax in the United Kingdom under Article 8 of the 2001 tax treaty between the United States and United Kingdom.

UAL publishes this tax strategy in compliance with section 161 and section 19(2) of schedule 19 Finance Act 2016.

UAL maintains a strong focus on corporate responsibility. UAL views compliance with all tax-related obligations created under the above-referenced treaty and any relevant local legislation as a vital component of our business operations.

Risk Management and Governance arrangements:

UAL is committed to acting with integrity in our tax affairs. Our focus is to be transparent and compliant with tax legislation in all jurisdictions where we operate.

UAL’s Board of Directors is responsible for analysing and managing global tax risk; within the UK, the Board’s approach is implemented by the management group overseeing the European region. Compliance with Board’s directives is ensured by the quarterly review of financial reporting controls and procedures. The managing director, internal audit group and audit committee play significant roles in maintaining conformity with company policies, controls and documentation requirements. External auditors review UAL’s activities on a quarterly, further ensuring responsible corporate behaviour.

UAL maintains relationships with professional advisers which allow the company to seek expert advice within the complex and consistently shifting areas of tax law. This approach ensures compliance and reflects the Board’s conservative approach to risk management.

Tax Planning:

Tax considerations have a significant impact on UAL’s business operations. UAL seeks to honour its duty to its shareholders and responsibly minimise both its tax cost and its tax risk.

Core Tax Planning Objectives:

- Meet all tax requirements by timely filing tax returns and making required tax payments.
- Seek to utilise available tax incentives where available in a manner which is consistent with each government’s policy objectives.
- Consider the tax impacts of all business decisions.
- Prioritize UAL’s reputation as global corporate citizen within the context of tax planning.
- Comply with appropriate tax risk processes and controls; ensuring the Board of Directors provides appropriate oversight.

Relationship with HM Revenue & Customs (HMRC):

UAL’s UK branch seeks to maintain a mutually respectful relationship with HMRC. Our communication with the HMRC is focused on:

- Establishing a collaborative professional relationship built on trust.
- Providing open, honest and accurate tax declarations.
- Resolving issues in a proactive and timely manner.

When UAL deems appropriate, the company will employ the services of professional tax advisers to act as our agents, and in some cases they may liaise with HMRC on our behalf.