



Fiscal Transparency 2024

- I. 2024: Taxation at ENAIRe
- II. Tax Management 2023: Variation 2019-2023

March 2025



Fiscal transparency 2024

I. 2024: Taxation at ENAIRE

1. ENAIRE's Strategic Plan: 2025 Flight Plan

2. ENAIRE's Tax Policy

3. ENAIRE's Tax Principles

4. ENAIRE's Tax Strategy

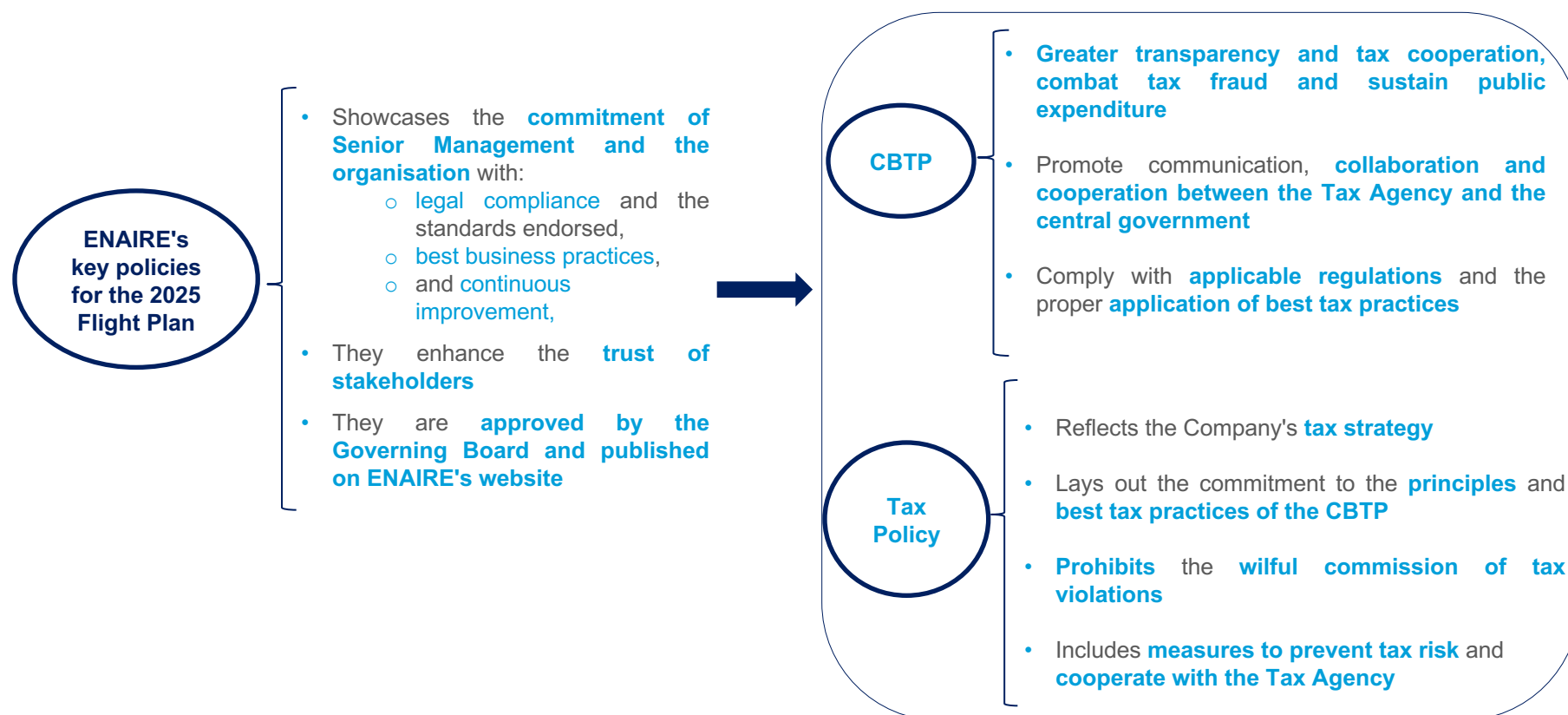
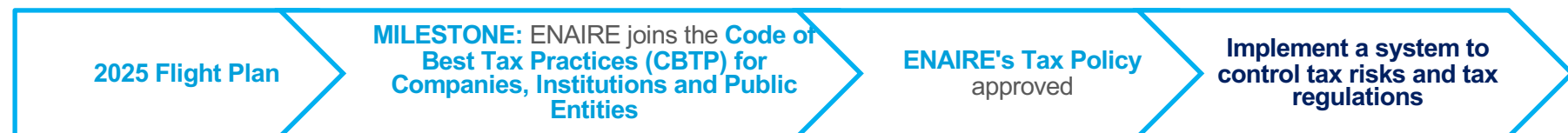
5. Management and control of ENAIRE's tax risks

6. Collaboration between ENAIRE and Public Entities

7. Best Tax Practice

1. ENAIRE's Strategic Plan: 2025 Flight Plan

Strategic objectives



2. ENAIRE's Tax Policy

Objective and Purpose

ENAIRE's Tax Policy, approved by the Governing Board in February 2025, **lays out the commitment to best tax practices** of the Company and of third parties acting on its behalf:

⇒ Through **ENAIRE's adherence in March 2025 to the Code of Best Tax Practices**, approved by **the Forum of Companies, Institutions, and Public Entities** in April 2024, which is available on the [Tax Agency's website](#)

⇒ With the **express prohibition of any behaviour involving the intentional commission of tax offences** or contravening current legislation, as well as ENAIRE's rules, values, and principles

⇒ Strengthening the development of the **tax management goals**:

- ✓ **Comply with tax obligations** as required by the applicable laws
- ✓ **Promote responsible taxation** through awareness of tax matters
- ✓ **Prevent and control risks and inefficiencies** in the execution of tax-related decisions
- ✓ Contribute to **sustaining public expenditure**
- ✓ **Duly comply with the** reporting requirements of the Tax Agency and the IGAE
- ✓ Ensure **the development and implementation of best tax practices** at ENAIRE

3. ENAIRE's Tax Principles

Tax compliance principles*



(*) ENAIRE's Tax Policy.

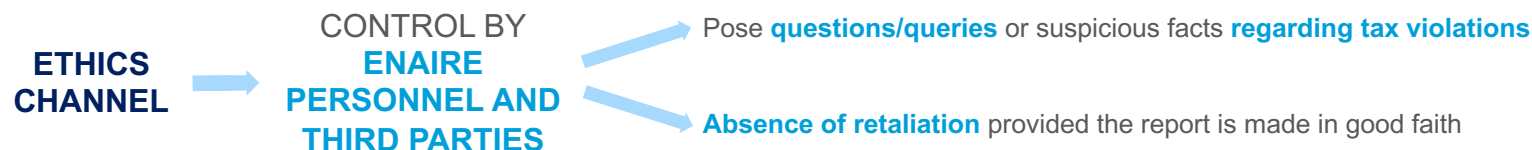
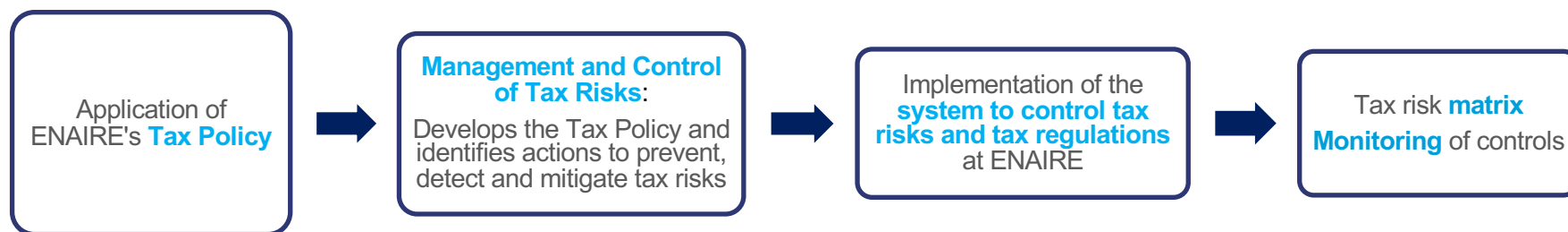
4. ENAIRE's fiscal strategy

ENAIRE's commitments regarding tax practices

- ⇒ ENAIRE will ensure **compliance with the applicable tax legislation**, interpreting the applicable regulations reasonably as these pertain to the Entity's activities
- ⇒ **It will not use artificial tax structures** unrelated to the Entity's activities solely for the purpose of reducing its tax burden, evading taxes, and/or hindering the work of the various Tax Authorities
- ⇒ **It will not include the implementation of opaque structures** aimed at preventing or hindering the identification by the Tax Authorities of the ultimate responsible party for the activities or the ultimate owner of the assets or rights involved
- ⇒ **It will not establish or acquire companies residing in tax havens** or non-cooperative jurisdictions with the aim of evading tax obligations
- ⇒ It will ensure **proper and timely compliance with its tax obligations**
- ⇒ It will ensure that **transactions with related entities are always carried out at market value**
- ⇒ **It will seek the services of reputable independent tax experts** both to review the tax criteria implemented and to verify the fulfilment of its tax obligations whenever necessary
- ⇒ It will promote **the prevention, reduction and monitoring of tax risks**, considering, among others, the associated reputational factor, **and encourage practices that lead to the prevention and reduction of significant tax risks, assessing in advance the tax implications** resulting from ENAIRE's operations and/or decisions

5. Control and monitoring of tax commitments

Mechanisms to track compliance with the CBTP and the Tax Policy



GOVERNANCE

OVERSIGHT BY
ENAIRE
MANAGEMENT

Governing Board

- Maximum body responsible for **implementing and improving** ENAIRE's **Tax Policy**
- Approves the **Company's tax strategy** for operations with a special tax risk
- Committed to promoting **fiscal transparency and responsible taxation**

Economic/Financial Directorate

- Responsible for **applying the Tax Policy and best tax practices**
- Reports the results of **ENAIRE's Tax Risk Control System and Tax Regulations to the Governing Board**
- It has **Internal Audit** personnel, an objective and independent unit that will be able to assess the consistency and effectiveness of the management and control of tax risks

6. Collaboration between ENAIRE and Public Entities

Adhesion to the Code of Best Tax Practices

⇒ ENAIRE aims to strengthen its collaborative relationship with the Tax Administration, which is why its Governing Board, in February 2025, decided to **endorse the Code of Best Tax Practices for Companies, Institutions, and Public Entities of the Tax Agency (CBTP), thus reinforcing:**

1. The **commitment of the Governing Board and Senior Management of ENAIRE to prevent tax risks** by adopting transparent taxation and an ethical culture
2. Compliance with the **purpose of the CBTP**
3. To act with **transparency and cooperation** with the Tax Agency:
 - It will submit annually the **Tax Transparency Report to the AEAT** with information on the tax best practices and tax risk prevention actions carried out during the year
 - It will provide tax documentation to the Administration and collaborate in **inspection procedures**
 - Member of the **Forum of Companies, Institutions, and Public Entities**, created on October 20, 2023

7. Best Tax Practice

ENAIRE's situation with regard to best tax practices

TAX DISPUTES

⇒ ENAIRE does **not have any open or unresolved procedures** in the economic-administrative or contentious-administrative jurisdiction related to tax matters

PREVENTION OF MONEY LAUNDERING AND CORRUPTION

⇒ One of the Company's values is **integrity**. Its activities are carried out under the requirement of avoiding any form of corruption, promoting transparency at all times, in keeping with its Code of Ethics

⇒ To minimise exposure to risks of **corruption, bribery, money laundering, or terrorism financing**, as well as any conduct that involves non-compliance with the applicable laws, the Entity has measures in place to ensure compliance with the relevant regulations, most notably **the Code of Ethics and the Ethics Channel**, available on the corporate website

PRESENCE IN TAX HAVENS

⇒ ENAIRE **is not present, does not carry out any activities, nor does it hold an interest in any entity** located in jurisdictions contained in the list of **non-cooperative jurisdictions**, as defined by Spanish law

Fiscal transparency 2024

II. Tax Management 2023: Variation 2019-2023

1. ENAIRE's tax payments

2. Corporation tax

3. Research and Development (R&D)

4. Related operations

5. Personal Income Tax

6. Indirect taxation: VAT + IGIC

7. Local Taxes

1. ENAIRE's Tax Payments (I/IV)

ENAIRE's Tax Obligations

DIRECT & INDIRECT TAXATION

- **Personal Income Tax:** Apply the laws, declare and deposit the withholdings of resident and non-resident workers
- **CORPORATE TAX:** Taxation of the Entity's economic results, annual and fractional payments
- **RELATED OPERATIONS:** Comply with the reporting and documenting obligations of intergroup operations
- **VAT - IGIC:** Guarantee the application of the regulations to economic events, liquidate and advise
- **SII of the Tax Agency (Immediate Supply of Information):** Control of SII in invoices received and issued

LOCAL TAXATION

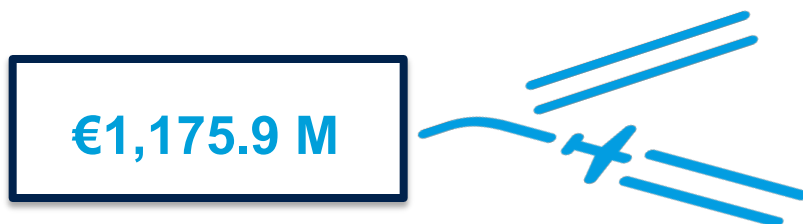
- **Property/Business/ Misc. Taxes:** Service Local Tax Agency, Supervision and Execution of Payments

OTHER

- **Miscellaneous Requirements and Inspections:** Tax Agency, IGAE, AESA, Civil Aviation and Eurocontrol

1. ENAIRE's Tax Payments (II/IV)

Total tax payments 2019-2023



€967.3 M

Taxes collected

(Average: €193.5 M/year)

- Personal Income Tax Withholdings €837.9 M
- VAT/IGIC Charged €129.4 M

€208.5 M

Taxes Incurred

(Average: €41.7 M/year)

- Corporate Tax €18 M
- VAT/IGIC Incurred €182 M
- Other Taxes €19.3 M



0.10%
of Spain's
Tax Revenue



0.02%
of Total Wage Earners
in Spain



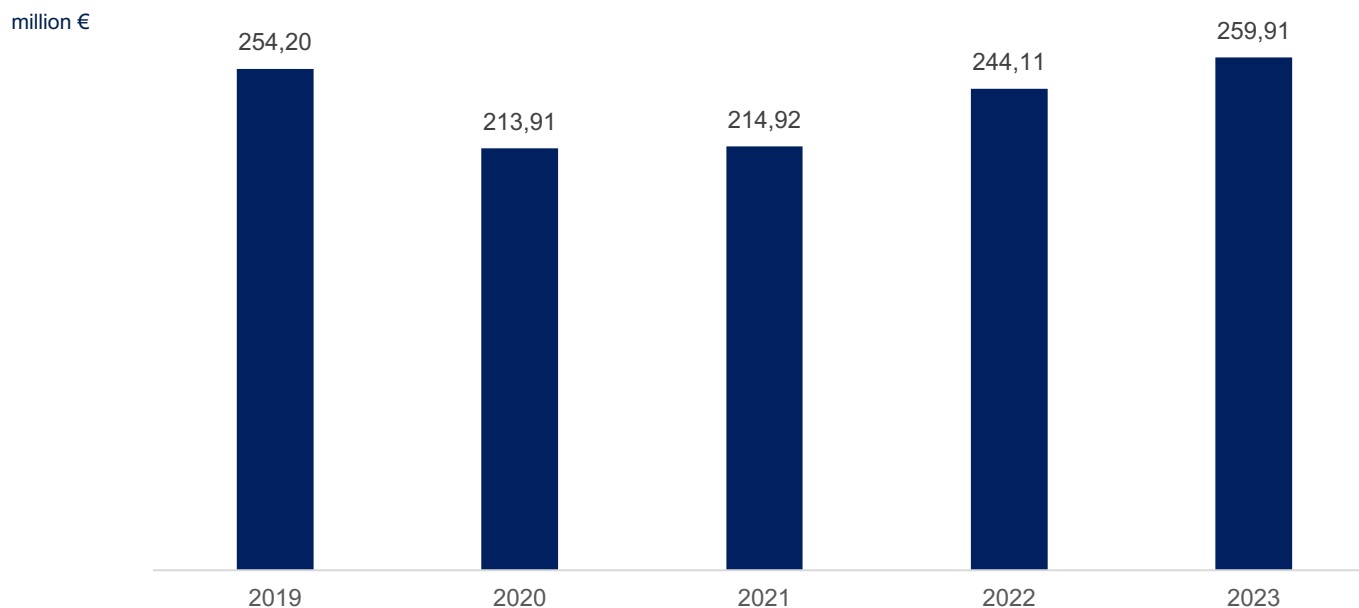
34.90%
Tax Contribution
as % of Turnover

(*): Note: The comparisons expressed in percentages are compared to the INE and AEAT source for the years mentioned.

1. ENAIRE's Tax Payments (III/IV)

Variation in tax payments 2018-2023

The **Tax Payments** (*taxesCollected & Incurred*) is relatively stable over time. Although in 2020 and 2021 there was a decrease in revenue due to the effects of the pandemic, in 2022 contributions increased, reaching pre-pandemic levels in 2023

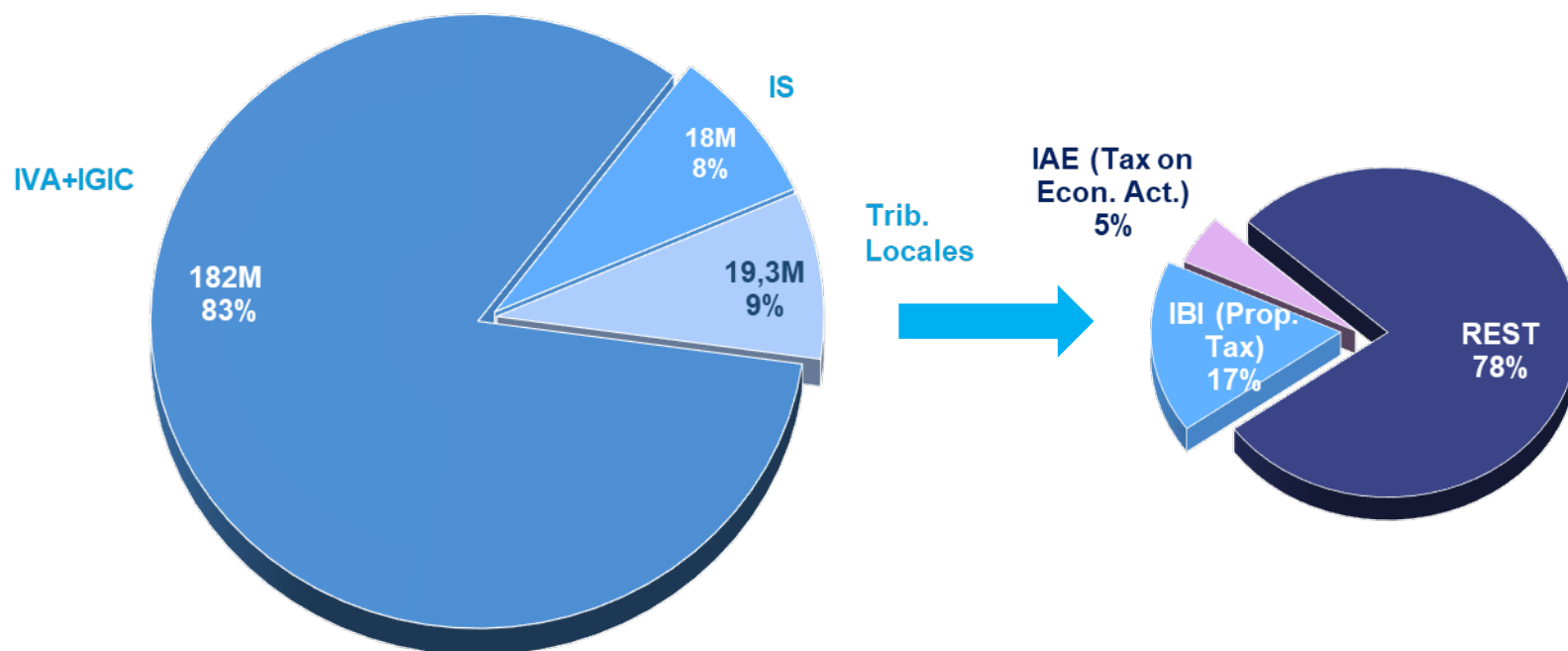


* Radio spectrum fees included in the 2019-2023 report.

1. ENAIRE's Tax Payments (IV/IV)

Make-up of taxes incurred 2019-2023

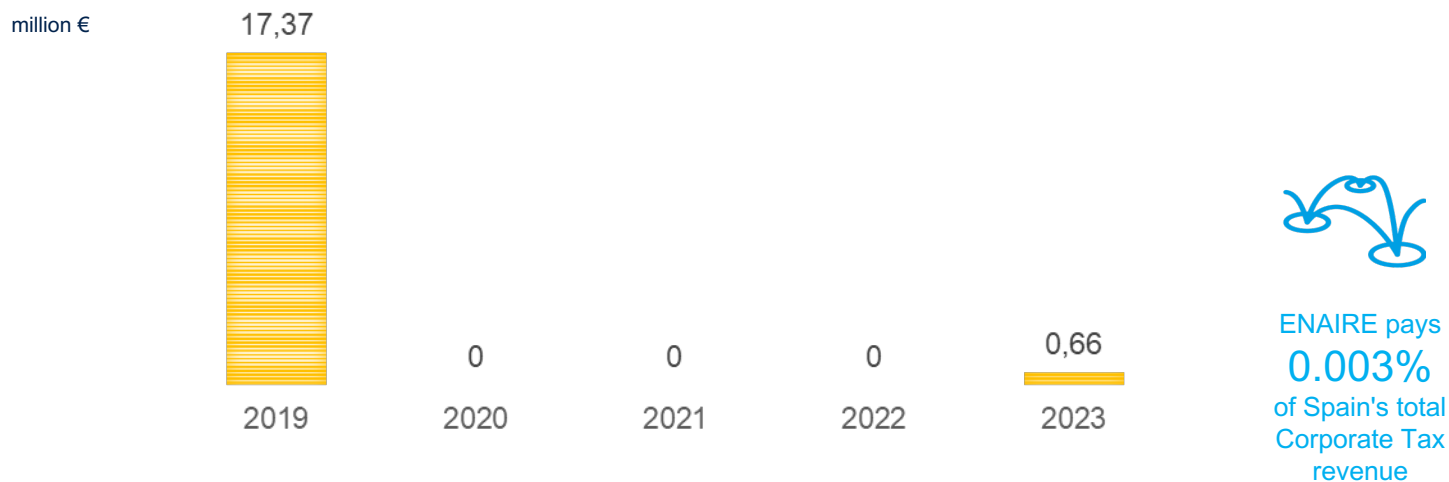
ENAIRE paid a total of **€208.5 M** in taxes for the period 2019-2023 (with an annual average of **€41.7 M**), distributed as follows:



2. Corporate Tax (IS)

Trend in payments made

Until 2019 (when a 12% reduction in Route fees occurred), ENAIRE had been paying an **annual average of €37.6 million** in **Corporate Tax** for 2017-2018. *In the period 2020-2022, the payment of Corporate Tax was €0 due to the impact of COVID*



3. Research and Development (R&D)

R&D activity. Corporate Tax Deduction

ENAIRe establishes INNOVATION as a pillar of its Strategic Plan

Since 2018, ENAIRe has justified to the Ministry of Science and Innovation (MICINN) the projects subject to the **R&D tax deduction**; this implies a reduction in project expenses through a tax deduction



*Note: The expenses that make up the basis for calculating the tax deduction have had the subsidies received for the execution of these projects deducted.

The data for the 2023 fiscal year is not available at the time of the presentation.

4. Related operations (I/III)

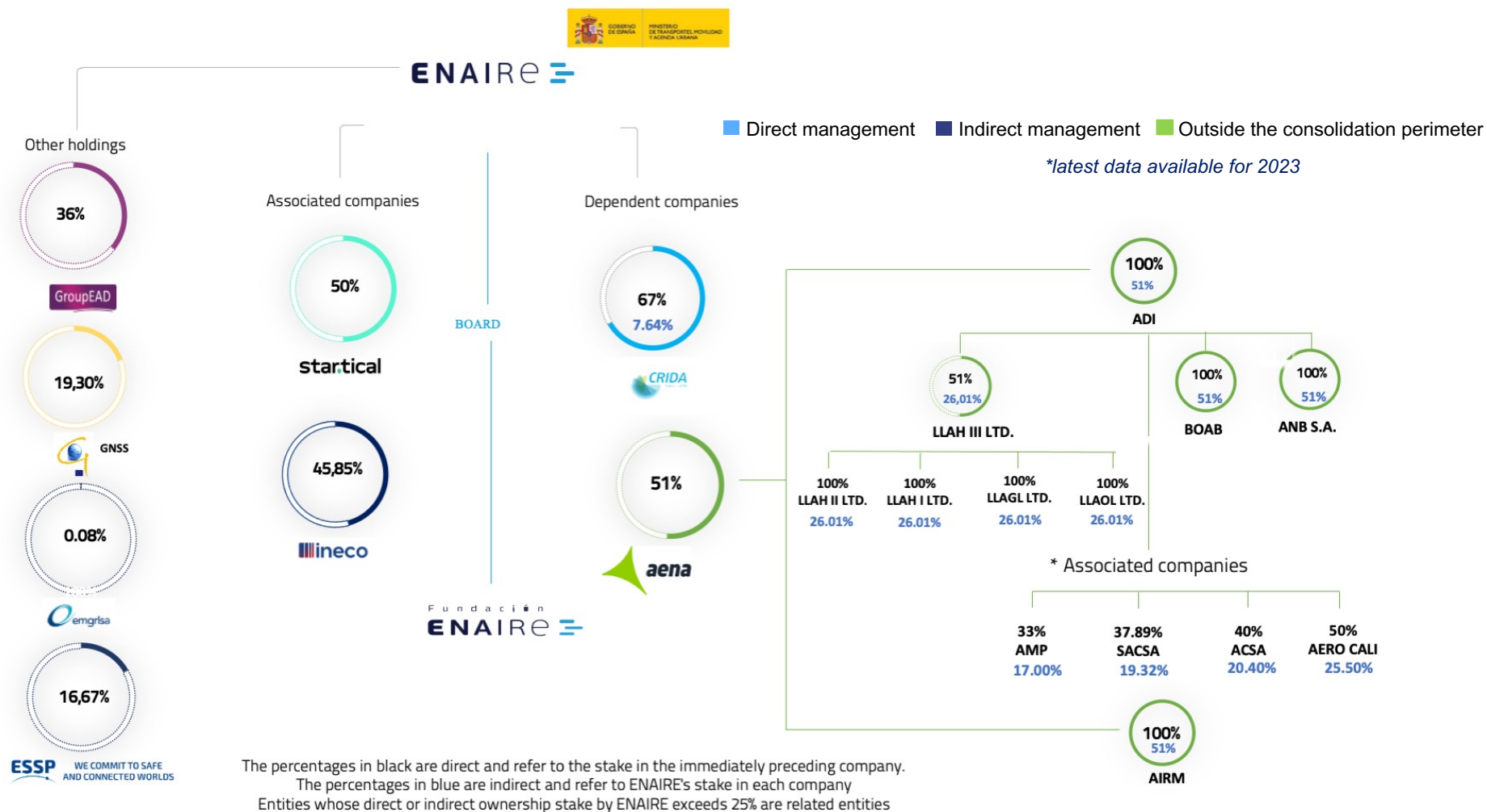
Regulations and procedures to be used by the Entity

Related party transactions in Spain are regulated **by article 18 of the Corporate Tax Law (LIS)**, in accordance with article 9 of the OECD Model Tax Convention. **These transactions must be valued in the same way as comparable transactions with unrelated parties, that is**, according to the **arm's length principle**.

- ⇒ This gives rise to the **obligations of documentation and valuation at market price**, which allow the Tax Agency (AEAT) to verify whether the provisions established for setting the price are being met. Otherwise, the AEAT would impose penalties:
 - **Highly severe and substantial penalty regime, applicable depending on whether:**
 - ✓ All the documentation is available or not, and
 - ✓ The AEAT has to make value adjustments or not
 - **Maximum Sanction: 1% of ENAIRE's net revenue** for the fiscal year in question
- ⇒ **ENAIRE** has approved an **Internal Protocol on Related-Party Transactions and Transfer Pricing** to ensure compliance with regulations in this area and mitigate tax risks associated with said transactions

4. Related operations (II/III)

ENAIRE's Related Companies and Degree of Affiliation



4. Related operations (III/III)

Main Related Transactions and Tax Obligations

Transactions between ENAIRE and its Related Companies (>25% under article 18.2.f of the Spanish Corporate Tax Law) are valued for tax purposes at Market Price, and are properly documented and declared in accordance with Spanish tax legislation and OECD recommendations

TYPE AND MAGNITUDE OF OPERATIONS 2023*

AENA:	ATM, CNS and ATS Auxiliary Services.....	€120.28 M
	Supplies, Parking and Miscellaneous.....	€0.37 M
	Flight Verification Service.....	€1.21 M
ADI:	ESSP Purchase.....	€0.91 M
INECO:	Assignments.....	€ 20.36 M
STARTICAL:	Miscellaneous services (<i>Rent, IT, etc.</i>).	€0.33 M
CRIDA:	ATM R&D Development Services.....	€2 M
FOUNDATION:	Transfer of property.....	€0.81 M
	Information and Insurance Services.....	€0.44 M

(*): latest data available at the date of this report

→ ENAIRE has been using the **Comparable Uncontrolled Price Method** and the **Cost Plus Method** to calculate the market price

TAX OBLIGATIONS

ENAIRE reports the transactions for the financial year to the AEAT:

- **Form 231:** Country-by-Country Reporting of Related-Party Transactions by Jurisdiction
- **Form 232:** operations/situations in territories classified as tax havens

ENAIRE justifies the valuation of transactions to the AEAT:

- **Local File:** Transactions and transfer pricing of ENAIRE with its related entities
- **Master File:** Structure of the ENAIRE Group, financial information and related operations

5. Personal income tax (IRPF)

Receipts and withholdings applied

On average, ENAIRE **withholds** an **average of 34.24%** from its employees' earnings (*), which equates to an average advance payment to the Public Treasury of **€168 M/year**



€ Million	ENAIRE employees	Payments	Withholdings	<u>Average Withholding</u>
2019	4,139	€496.7	€172.2	34.7%
2020	4,126	€455.1	€154.1	33.9%
2021	4,162	€461.3	€154.7	33.5%
2022	4,173	€498.9	€171.3	34.3%
2023	4,250	€534.2	€185.8	34.8%

(*): The composition of the staff is divided into two Collective Agreements, with very different Remuneration and Withholding scales

II Professional collective agreement of air traffic controllers (52% of staff)

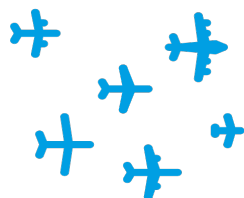
I Group Collective Agreement (48% of staff)

6. Indirect taxation: VAT and IGIC

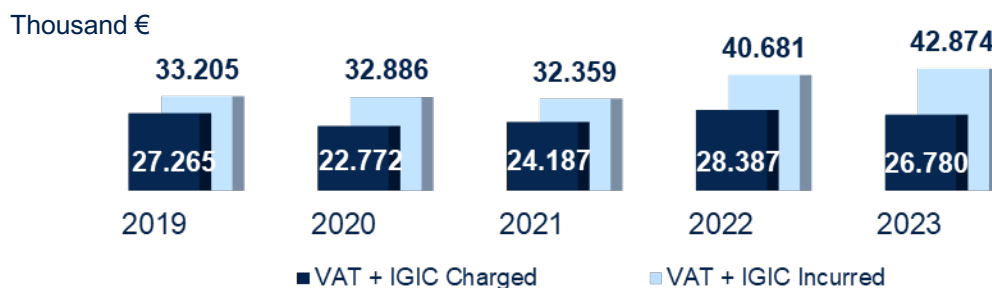
Legal situation of ENAIRE and changes in the amounts charged and paid

Air Navigation Services, both En Route and Approach, have been subject to VAT and IGIC since 2015

The law states that when Air Navigation Services are provided to airlines and permanent establishments in Spain that are primarily dedicated to international transport, and to Foreign Airlines **not based in Spain, they are exempt from VAT, or not subject to indirect taxation**; this means that:



Nearly 86% of ENAIRE's turnover comes from En Route and Approach Air Navigation Services. Only 1.5% of this revenue is subject to the tax and not exempt

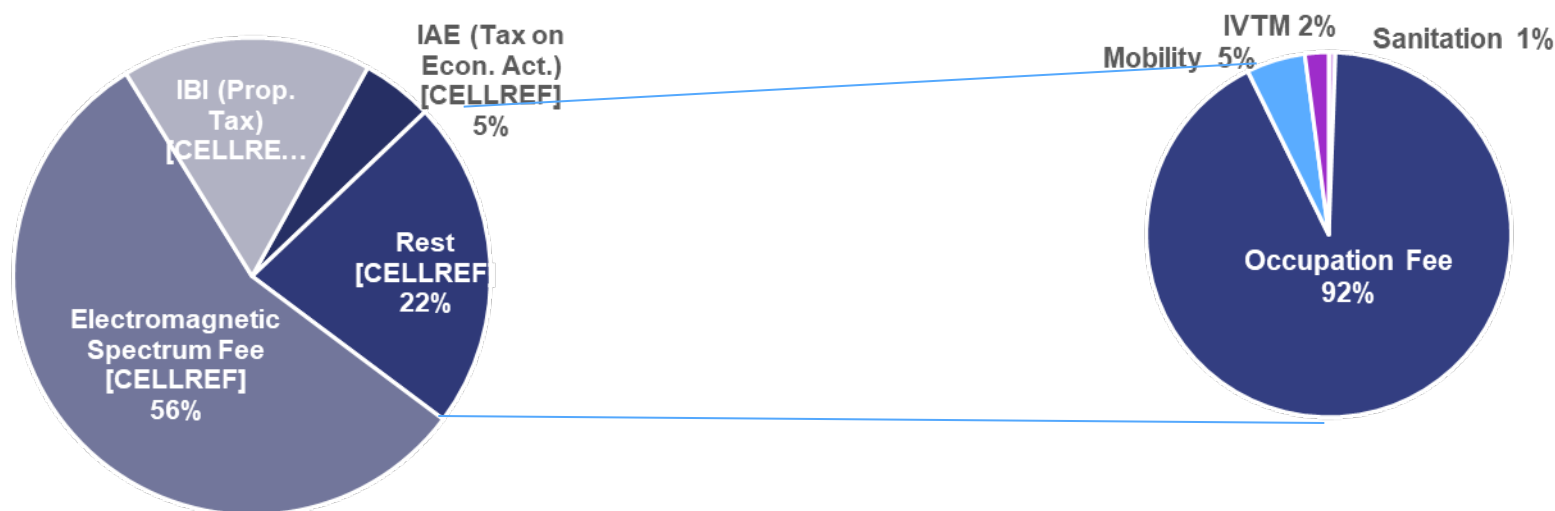


In the last 5 fiscal years, ENAIRE has collected a sum of **€129 M** on behalf of the Tax Agency

7. Local Taxes

Electromagnetic Spectrum Fee - Business - Property - REST

⇒ Total local tax paid by **ENAIRe 2019-2023**:



⇒ Of all the local taxes paid from 2019-2023 totalling **€19.3 M**, more than half corresponds to the **radio frequency tax**



The **radio frequency public domain reservation fee** applies to ENAIRe's exclusive use of radio frequency spectrum, which is necessary for the mobile communication services provided by ENAIRe to aircraft in flight

