



Cornerstone Telecommunications Infrastructure Limited (“CTIL” or the “Company”)

Tax Strategy

The Company is publishing its tax strategy for the year ending 31 March 2018 in accordance with the requirements of Paragraph 16 of the Finance Act 2016.

Our tax strategy reflects our focus on corporate responsibility and strong governance and we believe responsible administration and the payment of taxation where applicable is a responsibility of our business.

Our overall tax strategy is to:

- Comply with all relevant laws, rules, regulations, and reporting and disclosure requirements and to make all appropriate tax returns and tax payments as required.
- Seek to utilise available tax reliefs and incentives where available in a manner which is consistent with the government’s policy objectives.
- Apply professional diligence and care in the management of all risks associated with tax matters, to comply with appropriate tax risk processes and to ensure governance and assurance procedures are appropriate.
- Operate in an environment where we consider tax in the context of our reputation and brand.
- Foster constructive, professional and transparent relationships with tax authorities, based on the concepts of integrity, collaboration and mutual trust.

Risk management and governance arrangements

The Company maintains an on-going application of tax governance with strong internal controls in order to seek to reduce tax risk to materially acceptable levels. We want our tax affairs to be transparent and compliant with tax legislation, and we recognise the complexity of managing tax compliance. We have structured our internal governance to ensure:

- The Board of Directors understand the importance of tax compliance, how it is achieved and the legal and fiduciary duties of the Company’s directors and employees. The Board of Directors, advised by the Finance Director, are ultimately responsible for the tax strategy. Day to day tax responsibilities delivered by the finance team are managed by the Head of Finance.
- A dialogue is maintained between the Board and the individuals tasked with the operation of the finance function, ensuring adherence with the Company’s Core Values and policies and the way in which the Company manages its tax risk.

- The Company maintains a positive view towards tax compliance and the importance of meeting its obligations.

The Company's attitude towards tax planning

The Company seeks to reduce tax costs by undertaking tax planning which complies with the law and all transactions must have a business purpose or commercial rationale. Professional advice and the advice and requirements of shareholders is sought as required, with the depth of such advice being driven by our assessment of the risks and issues involved.

We do not undertake aggressive tax planning, the sole purpose for which would be obtaining a tax advantage. Due consideration is given to the Company's and shareholders reputation, brand, corporate and social responsibilities when considering tax initiatives, as well as the applicable legal and fiduciary duties of directors and employees of the Company which form part of the overall decision-making and risk assessment process.

The Company and its tax risk

The Board understands that compliance with tax legislation as key to managing tax risk. The Company therefore seeks to minimise such risk by:

- Submitting all tax returns on a timely basis, providing an adequate supporting audit trail and including sufficient detail to enable HMRC to form an accurate view of the affairs of the Company.
- Paying the correct amount of tax at the right time.
- Maintaining tax accounting arrangements which are robust and accurate and comply with the Senior Accounting Officer (SAO) provisions.
- Ensuring that there is adequate resource and support for those involved in the Company's tax processes and that key personnel are retained and trained in order to manage tax compliance issues on a timely basis.

The Company employs the services of professional advisers that allow it to seek expert advice on specialist areas of tax. Our approach is to ensure we are compliant and understand our responsibilities with regards to tax, rather than looking for ways to aggressively avoid the payment of tax.

Working with the Tax Authorities

The Company is committed to the principles of openness and transparency in its approach to dealing with HMRC. All dealings will be conducted in a collaborative, courteous manner with an emphasis on timely tax compliance.

We employ the services of professional tax advisers to act as our agents, and where appropriate they will liaise directly with HMRC on our behalf.

This strategy was approved by the Board on 16 March 2018 and will be reviewed annually.