

Computacenter PLC Group Tax Strategy

Computacenter is Europe's leading independent provider of IT infrastructure services enabling users and their business. Computacenter advises organisations on their IT strategy, implementing the most appropriate technology, optimising its performance, and managing its customers' infrastructures. In doing this Computacenter helps CIOs and IT departments maximise productivity and the business value of IT for their internal and external users.

Computacenter's approach to tax is aligned to one of the core values of the Group – being straightforward. The primary goal of Computacenter's tax strategy is to ensure that the correct tax is paid at the correct time and that all tax laws are adhered to. A strong, proactive and transparent working relationship with all tax authorities that the Group engages with is a key objectives of the Group's tax strategy.

Tax governance

The Group's tax strategy is reviewed and approved annually by the Audit Committee and the Board. The Board has delegated the responsibility for the execution of the strategy to the Group Finance Director who communicates with and advises the board on the tax affairs of the Group.

The Group Financial Controller has ownership of the Group's tax operations and oversight of tax risk. Operational process and the detailed analysis and preparation of the tax records is the responsibility of the Group Head of Tax and Treasury, who is responsible for managing the Group Tax Team.

The tax responsibilities of the Group Finance Director, Group Finance Controller and Group Head of Tax and Treasury include:

- Regular communication with the Board regarding management of material tax risks and issues;
- Reviewing any significant transactions; (e.g. acquisitions, disposals, financing arrangements);
- Approving external advisor appointments;
- Monitoring adherence to the Tax Strategy;
- Approval of tax disclosures for the Group's financial statements;
- Approval of tax returns; and,
- Ensuring accounting systems and controls calculate and report accurate and timely information for tax reporting purposes, which includes, but is not limited to, enabling the UK Senior Accounting Officer to provide the certification required by Schedule 46 Finance Act 2009.

Attitude towards tax planning

The Group ensures that the structure of significant transactions entered into are reviewed by the tax team so that tax interpretation is dealt with up front to ensure the most effective and tax compliant structure is selected where options exist. The Group's business needs will be the primary driver for the organisation of transactions or business lines and the tax team will review the tax implications of alternative options. Where necessary, external tax advice will be sought to ensure the commercial requirements of the business are properly aligned to the relevant tax legislation and documentation requirements. The primary purpose for the Group to review tax issues is to ensure that tax risks in transactions are managed effectively and that the Group is able to realise Government driven incentive schemes as they were intended to be used. Examples of these planning activities are ensuring that cross-border transactions are correctly aligned to the BEPS guidance or that qualifying expenditure is correctly identified for R&D credits.

Management of and attitude towards tax risks

The Group's tax strategy is to take appropriate care to ensure that the correct amount of tax is paid at the correct time. The Group does not set permissible levels of acceptable tax risk. In 2008 HMRC awarded Computacenter (UK) Limited a low risk status. It is the intention of Computacenter (UK) Limited to maintain its low risk status with HMRC as this is reflective of the Group's approach to its tax strategy.

The Group considers and manages its tax risks across three specific areas:

Transactional tax risk – This concerns risks and exposures associated with specific transactions undertaken by the Group. The first stage of managing and mitigating the transactional tax risk involves proactive identification of the transaction to the Tax team. The Finance department applies a partnership approach to working with other business areas. As a result, new transactions are routinely identified to the Tax team so that the tax risk can be considered and managed. Material transactions require the approval of the Finance Director who will ensure that the tax risk associated with a transaction is understood and has been managed. The Schedule of Matters Reserved for the Board requires that all significant transactions which affect the Group's strategy, structure, financing and contracts are properly addressed and approved by the Board of Directors. Included as part of this process is ensuring that the tax risks involved with the transaction are understood fully. For all transactional tax risk analysis a process of first reviewing and documenting the tax impact of a transaction is carried out by the in-house tax team. Where the in-house team consider that sufficient uncertainty still exists external advice will then be sought to ensure any risk is appropriately managed.

Operational tax risk – Operational tax risk concerns the underlying risk of applying correctly the tax laws, regulations and decisions to the routine daily business operations of the company. Computacenter maintains an up-to-date knowledge of the tax landscape in which the business operates. This is achieved through a combination of ensuring the in-house tax team has access to training and legislative updates, and that a network of external tax advisors is in place with a good

knowledge of the Group's business. This ensures that relevant tax developments which impact Computacenter can be appropriately managed.

Compliance tax risk - The Group Head of Tax and Treasury is responsible for ensuring that the tax team has appropriate resource and technical knowledge to meet the Group's compliance obligations. An annual review process is used to identify any training requirements and external resource is engaged if in-house knowledge is not sufficient to ensure that a compliance requirement can be appropriately met. A workflow tracking tool is used to ensure that all compliance obligations are understood and managed to the required accuracy and timetable. As part of the SAO process, a detailed manual of tax processes for meeting compliance requirements is maintained and reviewed, along with a tax risk register for the UK business which identifies tax compliance risks that the business is exposed to and how these risk are mitigated.

Working with tax authorities

The Group maintains an open and honest relationship in its dealing with local tax authorities and will seek to work in partnership with them in relation to its tax dealings:

- In the event of any inadvertent error(s) arising, full disclosure, will be made;
- The Group will disclose any relevant planning it undertakes in line with the legal disclosure requirements and criteria set out by the tax authority;
- Where appropriate, the communication routes have been agreed with the tax authority; and
- The Group will continue to meet and cooperate with the tax authority to facilitate a mutually beneficial relationship.

Computacenter values HMRC's approach to assigning a Customer Compliance Manager (CCM) and has found this partnership to be positive in proactively discussing tax issues. Computacenter will continue to engage the CCM to ensure a mutually beneficial relationship with HMRC.

UK compliance statement

Computacenter's tax strategy is set at a group level so that a consistent approach is taken to managing tax across the Group. Computacenter considers that the publication of its Group Tax Strategy complies with the UK requirements under paragraph 162(2), Part (2), Schedule 19, Finance Act 2016 to publish a tax strategy. All aspects of the Group Tax Strategy are applied to the risk management and governance of UK taxes, the attitude towards tax planning insofar as it affects UK taxes, the level of risk in relation to UK taxes which Computacenter is prepared to accept and the approach of Computacenter towards its dealings with HMRC.

Approval of the Group tax strategy

The Computacenter Group Tax Strategy document was approved by the Board of Computacenter PLC on the 13th December 2018.