

Group Tax Policy

Daisy Group (“the Group”) is the UK’s largest independent IT and telecoms services provider, with 600,000 customers, 2,000 partners, c4,000 employees, and 35+ locations nationwide.

The Group regards the publication of this tax policy as complying with its duty, under paragraph 16 of Schedule 19 of the Finance Act 2016, to publish its UK group tax strategy for the financial year to 31 March 2018. All UK Subsidiaries of the Daisy Group are covered by this Tax Policy.

It will be reviewed annually and updated as applicable.

Overall objective

To minimise the tax burden, thereby maximising the after tax profits of the Group in a manner which is consistent with its commercial objectives and meets its legal obligations and ethical standards.

Governance & Risk Management

Tax risks are assessed on a case by case basis, allowing the Group to arrive at well-reasoned conclusions on how each individual risk should be managed. Where there is uncertainty in how the relevant tax law should be applied, external advice may be sought to support the Group’s decision making process.

The governance of tax risk follows the tax accounting controls and formal procedures required by the Senior Accounting Officer (“SAO”) legislation which ensures that significant tax related decisions are subject to review and approval by appropriately qualified and experienced staff and that all UK tax obligations are met. Specifically, the Director of Group Finance takes responsibility for day to day tax affairs whilst the Group Chief Financial Officer takes the ultimate responsibility for tax and is also the designated SAO.

The Group will employ various risk management processes and systems to provide assurance that the requirements of the Group Tax Policy are being met. This will include compliance and risk monitoring systems and internal audit reviews of tax compliance activity across the Group.

The tax function will endeavour to keep relevant group personnel up to date with changes in legislation and practice as it affects their businesses. This will be done in the most appropriate way e.g. personal contact, general memoranda.

Group personnel are encouraged to contact the tax department if there are any issues which they feel may require a tax input.

Tax Planning

The Group regards tax planning to mitigate liabilities as perfectly acceptable provided it is consistent with the laws of the jurisdiction(s) concerned. In this respect one should have regard for the intention of the legislature concerned in drafting the legislation as well as the

strict letter of the law. If a particular section of the relevant legislation gives a favourable result that is clearly intended, it is perfectly acceptable for tax planning to take advantage of that legislation. One should also have regard to transactions previously undertaken by other taxpayers and the HMRC attitude towards them (if known).

Artificial transactions whose sole purpose is to reduce tax should not be undertaken, particularly those that have no economic effect other than the tax saving, unless such transactions are clearly encouraged by the legislation. Any tax planning undertaken should be driven by the Group's business needs, not the avoidance of tax.

Tax planning should not be undertaken if the risks are such that the overall positions, if the planning turns out to be ineffective, will be significantly worse than if the planning was not undertaken at all. Future relationships with the tax authorities must also be considered. The Group will seek advice for any significant transaction, including those in the ordinary course of business, where the tax outcome is in anyway uncertain and, particularly where an adverse tax result could harm the overall commercial benefit.

Compliance

The Group aims for our compliance to be timely and accurate and to include sufficient detail to enable the Revenue Authorities to form an accurate view of the affairs of the company in question and to ensure that as few unnecessary queries as possible are raised.

Relationship with HMRC

The Group makes every effort to maintain a constructive and collaborative relationship with HMRC.

Where the Group is undertaking unusual transactions, or believes that there are items which HMRC should be aware of, the Group will aim to ensure that HMRC are proactively informed of these matters.

If a mistake is identified that impacts upon a tax liability, the Group will ensure that HMRC are promptly and proactively informed of the mistake and that the additional liability is settled promptly.

The Group will endeavour to maintain open and cordial relationships with the Revenue Authorities that it deals with. We will adopt the most favourable position from the Group's perspective provided it is consistent with legislation, case law and practice.