

UK Tax Strategy Statement pursuant to Schedule 19 of the Finance Act 2016

1. Group Overview

Singapore Telecommunications Limited (“Singtel”) and its subsidiaries (hereinafter referred to as the Group) is one of the leading providers of a diverse range of communications services including fixed, mobile, data, internet, television, information and communications technology (“ICT”) and digital solutions to consumers, businesses and governmental agencies.

The Group’s UK operations currently account for less than 1% of global turnover while net profit before tax for financial year ended 31 March 2019 was less than £4.5 million.

2. Qualifying UK company’s duty to publish a company tax strategy

Finance Act 2016 requires certain qualifying UK businesses to publish their tax strategies.

- (1) Amobee EMEA Limited
- (2) M86 Security International Limited
- (3) Singtel (Europe) Limited
- (4) Trustwave Holdings, Limited; and
- (5) Trustwave Limited.

(referred henceforth individually as “Company”), subsidiaries of Singtel, regards the publication of this statement as its compliance with Schedule 19 of the Finance Act 2016 for the financial year ended 31 March 2020.

3. Risk management and governance in relation to UK taxation

Singtel, which is incorporated in Singapore and listed on the Singapore Stock Exchange, has established a Board-approved Risk Management Framework (“Framework”) that applies to Singtel and all its subsidiaries including the Company.

The Company’s approach to risk management and governance in relation to UK taxation is governed by the Framework which sets out our risk philosophy, governance structure for managing risks and risk appetite.

Our risk philosophy and risk management approach are based on three key principles – risk-centric culture, strong corporate governance structure and proactive risk management processes.

The governance structure comprises the Board, Risk Committee, Audit Committee, Management Committee and Risk Management Committee. This structure for managing risks provides proper segregation of duties, defines risk-taking responsibility and authority and promotes ownership and accountability for risk taking.

The Company’s finance team is responsible for ensuring that the policies are implemented and adhered to. The Company’s finance team will also update Group Finance and Group Tax on UK tax regulations changes and highlight tax risks where necessary.

4. Approach towards UK taxation

The Company's attitude towards tax planning in UK is guided by the parameters of the risk appetite statement approved by the Board. Such board-approved Risk Appetite Statement provides that the Group is committed to delivering value to shareholders achieved through sustained profitable growth. However, we shall not compromise our integrity, values and reputation by risking, amongst others, regulatory non-compliance. Regulatory compliance includes tax regulations compliance in UK where Singtel operates.

The Company is also committed to being a responsible corporate citizen in UK where tax affairs and processes are driven by business strategies and aligned with commercial activities.

To-date, the Company has not been required to make any disclosure under the Disclosure of Tax Avoidance Scheme. It also engages reputable tax advisors/agents for advice and assistance with its tax matters where appropriate.

5. Level of Risk Appetite in UK

The level of risk that the Company is prepared to accept in relation to UK taxation is low.

6. Relationship with HMRC

The Company seeks to maintain collaborative and constructive relationships with HMRC. Where appropriate, the Company will seek clarification or rulings from HMRC on material transactions or interpretation of tax law relevant to the Company.

The Company is committed to being open and cooperative when HMRC initiates any tax audits.

Due to its limited UK operations, the Company: -

- is not subject to UK Senior Accounting Officer requirements;
- is not subject to HRMC business risk reviews; and
- does not have HRMC Customer Relationship Manager.