



**IHS TOWERS GROUP
TAX STRATEGY**

DECEMBER 2017

I. Introduction

IHS Holding Limited (“**IHS**” or “**the Group**”) is a leading independent telecommunication tower operator in Europe, Middle East and Africa. The Group has over 23,000 towers in Cameroon, Côte d'Ivoire, Nigeria, Rwanda and Zambia, and has announced an agreement to acquire towers in Kuwait, subject to certain regulatory and statutory approvals.

Integrity is one of the Group's core values and IHS considers that ethical conduct is vital for the long-term success of its business. Accordingly, we have established a framework for ethics and governance which includes a commitment to comply with taxation obligations, alongside other laws and regulations, in each of the countries in which we operate. This includes a commitment to pay the correct amount of tax at the appropriate time as due under law.

In the course of operating these tower businesses, IHS incurs and pays substantial levels of business taxes and other levies such as import duties and license fees. Furthermore, the Group collects and pays significant levels of employee tax and indirect tax, such as value added tax (VAT).

This contribution towards economic development of the countries in which we operate complements our charitable and community activities and our commitment to the environment and green energy. These activities include initiatives to enhance education and empowerment in communities alongside our business, and our commitment to minimize the impact of what we do on the environment.

This document (“**the IHS Group Tax Strategy**”) sets out our approach to tax compliance, tax planning and dealing with tax authorities.

II. Management and governance of tax compliance

The Group establishes experienced teams in each country of operation to manage taxation compliance obligations in an integrated fashion alongside other accounting and business processes.

Each country's finance team includes individuals with the appropriate level of expertise in taxation matters to comply with relevant obligations. Furthermore, external professional consultants are engaged to provide tax advice and assist with specific aspects of tax compliance where appropriate, for example in cases of technical complexity.

These processes include the maintenance of appropriate documentation as required by tax regulations and other laws and regulations.

Overall responsibility for the management and governance of tax compliance of IHS lies with the Group Chief Financial Officer (“**Group CFO**”). A Group Tax Department has been established and is responsible for monitoring the Group's tax compliance position and strategic tax matters, reporting to the Group CFO.

To ensure this role is conducted efficiently, the Group Tax Department maintains close relationships with each operating unit and relevant key Group functions, including legal, treasury and HR. Changes in legislation are monitored and the Group Tax Department provides guidance to local finance teams in cases of complex tax matters, disputes and investigations.

III. Approach to tax on business transactions

The Group considers taxation alongside other legal, regulatory and commercial matters when entering into commercial transactions, including acquisitions, investment to expand the business and disposals.

For material transactions, external professional consultants may be engaged to ensure that relevant tax matters are taken into account (including understanding the relevant tax regimes and reporting requirements and/or appropriate tax due diligence) prior to completing a transaction, and to enable all tax obligations arising from the transaction to be properly settled.

This process includes responsible tax planning, in the context of business activities having a commercial and economic basis. For example, the Group considers it appropriate to apply for tax incentives applicable to providers of telecommunications infrastructure when entering into a new market or investing in improved infrastructure in existing markets.

IV. Dealing with tax authorities

IHS is committed to establishing and maintaining professional and transparent relationships with the tax authorities in each of the countries in which it operates.

Where a tax authority seeks to review our tax affairs, we will provide relevant information in a timely manner, in accordance with the statutory processes for the review of tax returns.

In seeking a co-operative relationship with tax authorities, we consider it helpful to meet regularly, in order to explain our commercial operations and the background to the relevant transactions.

V. Tax risk

The tax policies described above are intended to reduce the risk of unanticipated tax liabilities arising within the context of our commercial operations and in accordance with the Group's wider risk management and compliance framework.