

## **Cineworld Group Tax Strategy**

### **Overview**

Cineworld's Tax Strategy is approved by the Board of Cineworld Group Plc and defines standards of conduct for all tax activities across the Cineworld group.

The Tax Policy is owned by Cineworld Group Tax and is periodically reviewed and approved by the CFO. The Board's approval is required for material revisions.

The Tax Strategy aligns to the group's wider Corporate Responsibility policy at (<http://www.cineworldplc.com/about-us/csr.aspx>).

Through our tax strategy Cineworld commits to demonstrating responsible tax management. This includes:

- building and maintaining relationships with tax authorities; and
- clearly defining the group's approach to management of tax risk and tax planning.

### **Tax authority relationships**

Cineworld is committed to openness, honesty and transparency in our relationships with HMRC and all global tax authorities.

The group complies with all legal requirements in disclosing relevant information to enable tax authorities to carry out their tax reviews.

### **Approach to tax governance**

Group Tax reports to the CFO and has authority from the Board to work with the group to develop tax policy and provide support to the business within the approved tax strategy.

Group Tax is accountable for all UK and global taxes unless accountability is clearly devolved and accepted elsewhere as documented in a RACI (Responsible, Accountable, Consulted, Informed) matrix.

### **Approach to managing tax risk**

Cineworld has a robust framework to identify, assess and manage tax risk, overseen by the CFO. Group Tax maintains a Tax Risk Register assessing the impact and likelihood of identified tax risks. Additional assurance is gained through Internal Audit processes.

Principles applied in managing tax risk include:

- Positions taken in tax returns must be robust and supportable by legal interpretation,
- Intra-group transactions are monitored to ensure transfer pricing policies are adhered to,

- Local tax and finance teams are responsible for ensuring that changes in country tax legislation are monitored and responded to.

### **Approach to managing tax planning**

Group Tax seeks to support the business in creating, building and protecting value in a manner consistent with the wider Tax Strategy. Tax planning is evaluated within the following risk parameters to ensure that Cineworld only engages in planning that is aligned with commercial and economic activity:

- Financial analysis of the transaction;
- Operational tax issues;
- Reputational impact;
- Tax authority guidance and relationships; and
- Technical analysis and case law

Following an assessment under the risk parameters decisions may be escalated to the CFO and, if appropriate, the Board.

This tax strategy is published in accordance with Schedule 19 of the Finance Act 2016