

# Global Tax Policy

UK Requirement - 2017

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## INTRODUCTION

Akamai provides cloud services for delivering, optimizing and securing content and business applications over the Internet. As a global leader in content delivery network, or CDN services, our goal is to make the Internet fast, reliable and secure for our customers.

## APPROACH TO TAX

We have a substantial business and employment presence in many countries around the globe and we pay a significant amount of tax, including corporation and other business taxes, as well as tax associated with our employees.

We are committed to ensuring we pay the tax we are legally required to pay in all the territories in which we operate, we comply with all tax rules and regulations in those territories and we safeguard our reputation as a responsible tax payer. We look to align our investment strategies to those countries where we have substantial economic activity considering where government policies promote tax regimes attractive to business investment.

## GOVERNANCE AND TAX RISK MANAGEMENT

Akamai is committed to high standards of corporate governance, transparency and responsibility. The Company has a low tolerance for tax risk and proactively engages with advisors to achieve a high degree of assurance on tax matters. We pay tax in accordance with local country laws and international guidelines. The amount of tax we pay is dependent not only on the local laws but also the performance of our business.

We have robust internal policies, processes, training and compliance programs to ensure we have alignment across our businesses and meet our tax obligations. Our Company's executive management and the Audit Committee of the Board of Directors are responsible for approving and reviewing tax policies and tax risk management initiatives. In addition to the above, the Company routinely carries out transfer pricing reviews, which include benchmarking studies on an annual basis to identify "arm's length" pricing for related party cross-border flows of goods and services as required by the tax authorities.

The Vice President of Tax exercises day to day management of tax planning, tax reporting and tax controversy management. The VP of Tax reports on taxation matters to executive management, the Audit Committee of the Board of Directors, and others as appropriate. These reports explain the Company's tax liability for the year in question and any material tax audit issues that may have arisen with tax authorities. These reports also provide updates on local and global tax policy changes that may impact the Company and explain the nature of any response to these changes or actions that need to be taken.

## TAX PLANNING

### Tax Planning:

Akamai operates through legal entities, which are established in countries where we undertake business operations and the Company endeavors to maintain an effective legal entity structure with due care and attention paid to corporate governance. Our tax arrangements are derived from the commercial needs of our business and operating model. We seek to manage tax risk in respect of compliance, uncertainty, cross border transactions and disputes. All transactions between related companies are conducted on an “arm’s length” basis in accordance with the appropriate transfer pricing principles (including US and OECD) and are supported by appropriate documentation and studies.

### Why tax planning advice may be sought externally:

Tax legislation, treaties, regulations and case law are highly complex and constantly changing. External tax advice is sought to ensure that a correct analysis is made of proposed transactions such that the tax consequences are understood.

We seek tax advice from external advisers in the normal course of our business on a wide range of matters, primarily to assist with our control and processes across all areas of tax, assist with tax controversy and provide advice on transactions. In addition, we work closely with service providers to audit any tax disclosures in our statutory filings in the US and other jurisdictions. We also retain knowledgeable in-house tax professionals, and we utilize this expertise to manage our tax related obligations while maintaining a robust internal review process. This ensures that we meet our filing obligations and other tax requirements in line with the objectives which underlie the Company’s tax strategy as stated above.

### Code of Ethics:

The Company’s Code of Ethics requires all employees to make decisions that are ethical and in line with legal requirements as well as the Company’s Values. The Akamai Code of Ethic’s can be found at:

<https://www.akamai.com/us/en/multimedia/documents/akamai/akamai-code-of-business-conduct-and-ethics.pdf>

## RELATIONSHIPS WITH TAX AUTHORITIES AND HER MAJESTY’S REVENUE AND CUSTOMS “HMRC”

We look to develop and maintain positive and transparent working relationships with all tax authorities, seeking to resolve audits proactively and promptly.

In the UK, Akamai has an open and transparent relationship with HMRC. Akamai and HMRC engage cooperatively. In areas of complexity, the Company has been proactive in meeting with HMRC to provide explanations and insight on relevant matters. As an example, the company proactively discussed its operating model and transfer pricing arrangements with HMRC.