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Tax Policy

1. Objective

To establish general guidelines for Axtel S.A.B. and its subsidiaries to ensure the compliance with tax regulations in countries where we operate, through adopting the best practices related in tax matters and acting with complete transparency.

2. Application

Applies to all personnel of Axtel S.A.B. de C.V. and subsidiaries, (“Axtel”, “The Company”)

3. Guidelines

AXTEL is committed to providing the best digital solutions and Information and Communication Technologies service in the Mexican market.

Committing to operating responsibly and ethically, Axtel has established several guidelines that govern in matters of responsibility and tax compliance. The following guidelines reflect the company's commitment to maintain a proactive approach to changes in tax legislation.

- We keep ourselves up to date by adopting changes in tax legislation in each country, including OECD recommendations, especially those related to BEPS (Base Erosion and Profit Shifting).
- Being a good corporate citizen, ensuring that our activities contribute fairly to the economies we operate, being transparent and cooperating with tax authorities.
- Adhere to the OECD Transfer Pricing Guidelines and the BEPS initiative to ensure no reduction in amounts or tax rates by transferring value created by the company to low-tax jurisdictions.
- Commit to the arm's length principle and acknowledge that our tax responsibility contributes fairly to the economies where we operate by not evading this responsibility through the transfer of profits to low-tax jurisdictions.
- All our company decisions that have a tax impact are based on solid business reasons and not driven by obtaining any tax evasion advantages.
- We have the unequivocal commitment to avoid any kind of involvement in operations that use tax havens for tax evading purposes.
- We respect the principles of tax integrity and transparency, as well as maintaining the commitment to operate fairly and ethically in each region where we carry out our business activities.
- We comply with national and international transfer pricing guidelines, strictly adhering to the arm's length principle, ensuring that our internal transactions reflect actual market values, and avoiding any distortion that could affect our tax obligations.

The Advisory Board, Board of Directors and Internal Audit Department will oversee the compliance with this policy, ensuring that the operation and administration of legal entities are based on solid principles and in strict compliance with applicable legal and administrative provisions.

Axtel must fulfill tax obligations adequately, manage tax audits in a cooperative and transparent manner, keep informed and updated about changes in tax regulations, maintain supporting documentation, prevent and reduce tax risks, comply with legal provisions and cooperate with tax authorities.

Authorized by:

Armando de la Peña
CEO

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