

## **Tax Strategy**

### **Financial Year Ended October 2019**

Prepared in accordance with the requirements of the Finance Act 2016

Hays Travel is the largest independent travel agent in the UK. Our business activities generate a substantial amount and variety of taxes. We pay Corporation Tax, Stamp Duty Land Tax, TOMS and employment and other taxes. In addition, we collect and pay employee taxes and VAT.

Summary of Hays Travel's approach to tax:

- Our approach to tax is led by our Board of Directors which is committed to maintain for the Group a status at HMRC as a low-risk business.
- Tax decisions are appropriate to and consistent with commercial transactions which have been approved by our Board of Directors.

#### **Governance**

Tax is part of the Finance & Legal Regulation function in our Group and is the ultimate responsibility of the Group Finance Director who is responsible for the Group's tax strategy and policies.

Tax strategy and policies are reviewed on an on-going basis by the Group Finance Director alongside the Legal Director. Tax strategy and policy issues are assessed on a case by case basis by the Group Finance Director in conjunction with the Group Managing Director in accordance with the decision making framework that is part of our tax policies.

Day-to-day tax matters are delegated to a team of in house professionals who hold accounting qualifications with the advice from large accounting firms, legal firms and/or tax counsel as appropriate.

The Hays Travel Group has robust processes and systems in place for identifying and addressing tax risks and for supporting the Senior Accounting Officer (currently the Group Finance Director) in certifying to HMRC that the Group has appropriate tax accounting arrangements.

#### **Tax Risk Management**

The Group aims to ensure that all personnel with tax responsibilities or whose business activities may have a tax impact have a consistent understanding of how tax risk is identified, assessed and managed.

Risk management measures are implemented on an ongoing basis, including controls over processes and training in tax matters on an ongoing basis for both operational managers and the finance team.

#### **Code of Conduct towards Tax Planning**

This code of conduct endeavours to guide the role of finance professionals within the Group, their key responsibilities, their professional conduct and their approach to working relationships with external parties.

Hays travel Group believes its obligation is to pay the amount of tax legally due in the UK, in accordance with rules set by government.

It is not appropriate for the details of the Groups' tax affairs to appear in the public domain. Hays Travel Group will however only enter into transactions which would be fully justifiable should they become public.

Hays Travel Group will aim to:

- Observe all applicable laws, rules, regulations and disclosure requirements.
- Apply diligent professional care and judgement to arrive at well-reasoned conclusions.
- Ensure all decisions are taken at an appropriate level and supported with documentation that evidences the facts, conclusions and risks involved.
- Seek certainty on tax positions it adopts but where tax law is unclear or subject to interpretation, written advice or confirmation will be well sought.
- Develop and foster good working relationships with tax authorities, government bodies and other related third parties.
- Undertake all dealings with tax authorities, government officials and other third parties in a professional, courteous and timely manner.
- Be compliant with all anti-bribery legislation.

Compliance with all legal disclosure and approval requirements will be adopted and all information will be clearly presented to the tax authorities or other relevant bodies, as appropriate.

Openness, honesty and transparency will be paramount in all dealings with the tax authorities and other relevant bodies.

As a Trusted Company we will not:

- Enter into transactions that have a main purpose of gaining a tax advantage.
- Make interpretations of tax law that are opposed to its original spirit.
- Take an aggressive interpretation of tax legislation.
- Use artificial tax avoidance schemes or use tax havens to reduce their tax liabilities.
- Be involved in transactions without a business purpose or commercial rationale.

The tax code of conduct requires that we comply with all laws and disclosures and act with due professional care. These requirements are never more relevant than in ensuring accuracy and completeness of the presentation of our tax position in the financial reporting of the group.

The reported financial accounts are expected to reflect all taxes and should reflect the most up to date information to ensure that the group will have no significant adjustments to the actual tax charge of tax return.

### **Relationship with HM Revenue & Customs**

In line with the code of conduct requirements to foster good relationships with tax authorities, governments and related third parties and to undertake all such dealing in a professional, courteous and timely manner the company will:

- Pro-actively manage the relationship with the tax authorities with the aim of minimising the risk of challenge, dispute or damage to the Group's credibility arising when tax matters are inadvertently incorrect.
- Participate in any tax authority formal consultation process where it is expected that the matter under consultation will have a material impact on the Group's liability.

It is Hays Travel's general policy to be transparent and proactive in all interactions with tax authorities and our team is encouraged to proactively foster this principle.