

## **Our Tax Strategy and Governance**

The Group's approach to tax matters is to comply with all relevant tax laws and regulations, wherever we operate in the world, whilst managing our overall tax burden.

The Group Tax team partner with the Group's companies to support and provide guidance in all tax matters in line with the agreed tax principles. These tax principles ensure we manage our tax affairs to support our business operations and ensure that the tax consequences of our business operations support genuine commercial activity.

We do not support or implement tax planning that is aggressive or artificial. All tax decisions and planning is undertaken in response to the commercial activity arising in the business.

We look to develop and maintain good working relationships with tax authorities in the countries in which we operate. We communicate with them in an open and honest manner. The Group's businesses operate in over 180 countries leading to considerable complexity in our tax affairs. Complex tax issues can and do arise. Where ever possible, we will seek to discuss areas of significant tax uncertainty with the local tax authorities. We recognise that there will be areas of differing legal interpretations between the Group and tax authorities. Where this occurs, we will engage with tax authorities to try to resolve the matters in a cooperative and expedited manner.

The Group Tax team, led by the Group Tax Director, has the responsibility to manage the Group's tax risk. The Chief Financial Officer has ultimate accountability of ensuring that the implementation of the tax strategy and management of the Group's tax risks, are fully aligned with the overall strategic direction and risk management principles set out by the Executive Board.

The Risk Oversight Committee considers tax risks that may arise as a result of our business operations, on a quarterly basis, through the Group's risk management framework. The consideration of such tax risks includes actions to mitigate the risks or to prevent their occurrence or re-occurrence.

TUI Group regards this publication as complying with our duty to publish a tax strategy for the year ended 30 September 2018, under paragraph 16 (2), schedule 19, Finance Act 2016.