

Tax Strategy

Parkdean Resorts Group

PARKDEAN RESORTS GROUP TAX STRATEGY

Strategy

- ◆ This strategy applies to Parkdean Resorts Limited and all entities in the Parkdean Resorts Group (the 'Group').
- ◆ The Group complies with tax law and practice in the territories in which we operate, which is predominantly within the UK.
- ◆ Compliance for the Group means paying the correct amount of tax at the right time and involves disclosing all relevant facts and circumstances to the tax authorities and claiming all legitimate reliefs and allowances where available.
- ◆ Responsibility for the Group tax strategy sits with the Board of Directors with Ian Kellett as the lead Executive Director.
- ◆ This tax strategy has been approved by the Audit Committee on 10 October 2019 and is applicable to all tax activities. The strategy will be reviewed at least annually and covers all the trading activities of the Group and all applicable taxes from the date of approval.
- ◆ The Group regards this publication as complying with the duty under paragraph 16 (2) and 17 (4), Schedule 19 Finance Act 2016.

How we manage our tax risks

- ◆ Risk within day to day transactional processing is managed by the configuration of key systems, process documentation and training of all relevant employees.
- ◆ External professional advice is sought as appropriate for complex areas.
- ◆ People are recruited and trained to have the required business and technical knowledge.
- ◆ Group Tax ensures timely submissions of all returns to HMRC and payment of all taxes within deadlines.

Our attitude to tax planning

- ◆ Any tax planning undertaken will have commercial and economic substance and will have regard to any potential impact on our reputation and broader goals.
- ◆ We regularly utilise external tax advisors to assist with ongoing tax compliance in relation to the Group's core activities and also where one-off transactions raise issues of a complex nature.
- ◆ We will seek clarification, and take and follow appropriate professional opinion to ensure we apply available tax incentives and exemptions to the benefit of the Group in line with the advice received.

Our tax risks

- ◆ Given the scale of our business and volume of tax obligations, risks will inevitably arise from time to time in relation to the interpretation of tax law and the nature of our compliance arrangements.
- ◆ We will seek to identify, evaluate, manage and monitor these risks to ensure they remain in line with the Group's risk appetite. When there is significant uncertainty or complexity in relation to a risk, external advice may be sought. Areas of significant or complex tax risk will be passed to the Audit Committee for approval and ongoing review.

How we work with HMRC

The Group is committed to the principles of openness and transparency in its approach to dealing with HMRC and in particular the Group commits to:

- ◆ Make fair, accurate and timely disclosure in correspondence and returns and also respond to queries and information requests in a timely fashion.
- ◆ Seek to resolve issues with HMRC in a timely manner and where disagreements arise work with HMRC to resolve issues by agreement where possible.
- ◆ Interpret the relevant laws in a reasonable way and ensure transactions are structured consistently, are based on current practice and any external advice received.

Ian Kellett
Chief Financial Officer
10 October 2019