

## **The GLH Group Tax Strategy**

**June 2020**

### **About us**

Founded in 2003, GLH Hotels is London's largest hotel owner-operator with over 5,000 rooms and 130+ meeting and event spaces across five distinct brands and 17 outstanding locations.

The ongoing Covid-19 situation has an unprecedented impact on our industry and business, significantly increasing the challenges we face in meeting some of our overall goals. However, GLH continues to stand by the same principles and maintains the same attitude to our Group Tax Strategy as we would under normal trading conditions.

GLH has historically, and continues where possible, to make a contribution to both the wider UK economy and the local communities we operate in through:

- The large amount of taxes incurred and collected (including revenue and profits taxes, employment taxes and property taxes)
- Our local community engagement initiatives,
- Working to reduce our environmental impact,
- Investing in our UK infrastructure,
- Creating a positive and considerate workplace for over 2,000 employees.

GLH has a robust and comprehensive approach to managing risk which is underpinned by its Code of Conduct and Ethics (contained within the Employee Handbook) and strives to develop and encourage a culture of responsibility and high ethical standards within all aspects of our business.

### **Our UK tax strategy**

This document sets out the strategic tax objectives of GLH Hotels Holding Limited and its subsidiaries, GLH IP Holdings Limited and GLH Hotels Management (UK) Ltd (collectively described as "GLH"). This tax strategy has been approved by the board and satisfies Schedule 19 of the UK Finance Act 2016, in respect of our financial year ending 30 June 2020.

GLH's corporate objectives are to maximise shareholder value whilst also making sure we value and respect the wider community that we operate in. GLH achieves this by taking all aspects of corporate responsibility seriously and ensuring we act with honesty and integrity, including in dealing with the tax affairs of the group.

The GLH tax strategy is in line with our overall corporate ethos and commitments of acting responsibly and maintaining high ethical standards whilst operating a profitable business for the benefit of our shareholders, employees and other stakeholders.

## **Our risk management and governance**

GLH aims to comply with tax filing, payment and reporting obligations through maintaining appropriate systems, processes and controls and ensuring there are appropriately qualified and trained staff within the finance team.

- Accountability for the UK tax strategy rests with the Board along with the overall stewardship of our UK risk management systems and internal control environment.
- Responsibility for the implementation of the tax strategy and the groups day to day affairs is delegated to the Tax Manager and Financial Controller (supported by a team of professional advisors), who report at least monthly to the CFO/CEO.
- The Tax Manager and the Financial Controller ensure the Executive team are kept up to date with legislative changes.
- Any significant decisions relating to tax are discussed with appropriate professional advisors and approved by the CFO/CEO and the Board as appropriate before any decisions are made, or action is taken.

## **Our attitude to tax planning**

- GLH does not enter into any aggressive tax planning or avoidance transactions that give rise to a tax advantage not intended by or expected from the relevant legislation.
- Any tax planning undertaken at GLH is responsive to the commercial needs of the business only, aligned with the wider business strategy and is based on a reasonable consideration of the law in place at that time with due consideration for reputational risk as well as operational and financial risk.
- GLH ensures that we operate a tax efficient business on a day to day basis by keeping up to date with the relevant legislation and making sure we don't unintentionally expose ourselves to higher taxes than those intended or required by legislation.
- GLH considers the availability of any relevant tax reliefs, incentives and exemptions made available by the law and they are utilised in the manner which would be reasonably expected when considering the nature of the relevant legislation.
- Where there is any ambiguity or uncertainty, guidance is sought from professional advisors or real time discussions with HMRC take place to confirm the position.

## **Maintaining our relationship with HMRC**

As a large business in the UK, GLH has been assigned a Customer Compliance Manager (CCM) within HMRC. We seek to maintain an open and honest relationship with our nominated CCM and communicate regularly through annual meetings and, where appropriate, engaging on a real time basis concerning material matters of uncertainty.

As a Group we aim to ensure we adhere to all relevant compliance obligations in a timely manner and in a spirit of co-operative compliance.

GLH also communicates with other relevant HMRC experts on specific matters as necessary and keeps HMRC up to date on any significant business transactions or changes.

*This document has been approved by the GLH Hotels Holdings Limited and GLH IP Holdings Limited Executive team, as at 19 June 2020. The Tax strategy will be reviewed on a periodic basis and updated where necessary.*