



The following statement sets out the tax strategy of Flight Centre Travel Group ("FCTG") in the UK in compliance with paragraph 19(2) and paragraph 22(2) of Schedule 19 of the Finance Act 2016 as pertaining to the financial year ended 30 June 2019.

This tax strategy published by Flight Centre (UK) Limited also covers sister companies Flight Centre Travel Group (European Holdings) Ltd, Flight Centre Robin Limited, Top Deck Tours Limited, Back-Roads Touring Co. Limited and Buffalo Tours UK Limited. Together, these companies will be referred to as the FCLUK sub-group in this document.

TAX POLICY, STRATEGY AND GOVERNANCE

As one of the world's largest travel agency groups, FCTG is committed to being a responsible corporate taxpayer. As a member of the wider FCTG group, the FCLUK sub-group is committed to being a responsible corporate taxpayer.

APPROACH TO TAX RISK MANAGEMENT AND GOVERNANCE ARRANGEMENTS

FCTG operates under a Tax Risk Management and Governance Policy which is approved by the Board Audit committee and sets out FCTG's commitment to managing its global tax obligations and is consistent with HM Revenue & Customs (HMRC) and the Organisation for Economic Co-operation and Development (OECD)'s recommendations for tax risk management and governance as well as being consistent with FCTG's overarching Risk Management Policy.

FCTG's Tax Risk Management and Governance Policy includes formal tax policies and procedures that are reviewed and updated at least annually. It is implemented by the Chief Financial Officer and the Global Tax team with support from local finance teams. FCTG has appropriate systems, processes and controls in place to identify, evaluate, mitigate, monitor and report on tax risks.

As a company listed on the Australian Securities Exchange (ASX: FLT), the Board has chosen to provide additional disclosure of tax information as recommended by the Australian Board of Taxation's Voluntary Tax Transparency Code in its annual report.

ATTITUDE TOWARDS TAX PLANNING AND ACCEPTED LEVEL OF RISK IN RELATION TO TAXATION

FCTG's Code of Conduct outlines FCTG's Vision, our Purpose, our Core Values, our Philosophies, and sets out the Key Principles of the standards expected of our people. With regards to legal and ethical behaviour, FCTG and its people are committed to acting ethically and responsibly, and complying with the relevant laws and regulations in all countries and regions in which we conduct our business.

FCTG takes a conservative approach to tax risk and the management of tax risk is balanced with FCTG's objective to create and safeguard shareholder value. Where there is a choice between an aggressive tax position and a more conservative position, FCTG takes the more conservative approach. That is, FCTG aims for certainty on tax positions it adopts, but where tax law is unclear or subject to interpretation written advice or confirmation is sought as appropriate.

WORKING WITH HMRC AND OTHER REVENUE AUTHORITIES

FCTG's tax philosophy is based on an open, co-operative and transparent relationship with the Revenue Authorities. FCTG maintains good relationships with HMRC and other Revenue Authorities. As an example, FCTG has regular catch ups with its HMRC CCM to discuss the tax position of the FCLUK sub-group and to provide business updates. Openness, honesty and transparency is paramount in all dealings with the Revenue Authorities and other relevant bodies, with the aim of minimising the risk of challenge, dispute or damage to FCTG's credibility.

FCTG is aware of and, where appropriate, effectively uses the services and compliance products offered by the Revenue Authorities to reduce its tax risks and compliance costs (e.g. non-statutory clearance process, electronic filing, etc.).

This tax strategy was published on 7th June 2019.