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**YODEL DISTRIBUTION HOLDINGS LIMITED
SUB-GROUP TAX STRATEGY**

Yodel Distribution Holdings Limited is the head of a UK sub-group (“the Group”) as defined in paragraph 11(2) of Schedule 19 to the Finance Act 2016. This strategy is published on behalf of the Group in compliance with the duty under paragraph 19 of the Schedule in the current financial year ending 30 June 2018, and in accordance with paragraph 20 of the Schedule.

The central approach of the Group is to maintain awareness of and observe its tax obligations in all jurisdictions in which it operates, with the principal objective of achieving full compliance with local requirements and reporting including payment of the correct taxes and duties that are due.

Risk management and governance

In relation to UK taxation, the Board is ultimately responsible for the Group’s tax strategy and compliance, while the day-to-day management of the Group’s affairs is delegated to a tax team of appropriately qualified and experienced individuals. Monitoring and reviewing of actions and processes jointly with key personnel in other functions relevant to tax is continuous in order to meet the statutory provisions relating to Senior Accounting Officers and in pursuance of the Group’s aim of a low level of tax risk.

Attitude towards tax planning and level of risk

The Group does not have a tax planning agenda but as a matter of common sense, no review of commercial transactions under consideration would be complete without an assessment of directly related tax effects that may be material. In general, the Group’s focus is on accessing reliefs that are due in appropriate circumstances and accounting for the correct amount of tax in accordance with UK legislative rules and regulations.

Any identified UK tax risk perceived as producing a fair fiscal outcome is accepted; in other circumstances, risks are managed where unintended and disproportionate consequences would otherwise flow.

Working with HMRC

The Group believes that it has a constructive working relationship with HMRC and its objective for the future is increased mutual openness and transparency. From the Group’s standpoint, this would include communicating to HMRC any significant changes or developments in the Group’s businesses or structures.

It has been and remains the Group’s policy to notify HMRC without delay of any of errors that have come to light whether they be in returns rendered or have occurred within processes.