

UK Tax Strategy

This Tax Strategy applies to all the UK operations of Booking Holdings Inc. (the “Company”) and is published in accordance with Schedule 19 of Finance Act 2016.

The Company’s approach to risk management and governance arrangements in relation to UK taxation is completely aligned, and consistent, with the Company’s overall Corporate Governance policies. These policies are underpinned by the Company’s core values of integrity and accountability as embodied in the Company’s Code of Conduct.

1. The Company’s approach to risk management and governance arrangements in relation to UK taxation.

As an international business providing services around the world, the Company faces a number of risks in relation to managing its tax compliance, payments and reporting obligations. These are compounded by numerous issues including the complexity of tax laws, changing tax laws and regulations and degrees of uncertainty about how certain tax laws should be applied.

The Company mitigates these risks in a number of ways, including:

- employing qualified and experienced tax personnel;
- having appropriate tax policies and procedures in place;
- subjecting tax risk management to the same policies, procedures and controls that govern financial reporting risk management; specifically tax risk is included in internal control design and Sarbanes Oxley controls. Internal audit also provides independent assurance;
- engaging reputable professional advisers to provide advisory and compliance services;
- interacting with tax authorities to achieve, where possible, certainty in transactions where the law is unclear, ambiguous or subject to differing interpretations; and
- supporting the Senior Accounting Officers in the UK to ensure that appropriate accounting arrangements are in place.

The Board of Directors has ultimate responsibility for the oversight of the Company's risk management activities, including the identification and assessment of the key tax risks facing the Company. The Board has delegated responsibility for the management of taxation to the relevant Chief Financial Officers who in turn have delegated the day to day management of the Company’s UK tax affairs to the process owners. The Chief Financial Officers ensure that relevant tax issues and key risks are reported to the Audit Committee, a sub set of the Board, in the first instance.

In addition, the Tax function is responsible for establishing tax policy and maintaining close oversight over the businesses to support them to manage tax risk as appropriate. The Company’s Internal Audit function provides an additional independent level of assurance.

2. The Company's attitude to tax planning.

The Company pays most of its taxes in jurisdictions where its businesses were founded and perform substantial operations. Tax planning does not drive the Company's business operations and the Company does not undertake tax planning unrelated to its business operations or tax planning that does not have commercial and economic substance. The Company's priority is to structure its business to maximize business and operational efficiency and then to comply with tax law and the intentions of Parliament. For such subjective matters as transfer pricing, the Company engages independent experts to prepare objective pricing studies to facilitate tax compliance.

3. The level of risk that the Company is prepared to accept in relation to taxation.

The Company's preferred course of action is to minimise uncertainty in its tax outcomes due to the low level of tax risk that the Company is willing to accept. The Company strives to achieve certainty by consulting with tax authorities on significant uncertain tax positions and where possible to request formal tax rulings or clearances on the positions taken. Further, the Company employs professional tax advisors in local jurisdictions to provide input into local practice and interpretations to assist in assessing the certainty or otherwise of specific tax outcomes. The Company will not accept the risk if the expected tax outcome is not sufficiently clear or where it may have an adverse impact to the Company's financial position and / or reputation.

4. The Company's approach to its dealings with tax authorities.

The Company seeks to have an open, constructive and professional relationship with all tax authorities, including HMRC. The Company aims to keep HMRC abreast of significant business developments and to discuss significant transactions, particularly where the tax outcomes are uncertain, on a real time basis.

The Company is committed to providing full disclosure of all relevant facts in its tax returns, including the application of tax law and the treatment of certain items for tax purposes. However, the Company understands that there may be situations where tax authorities may take a position on a tax outcome that is different from that taken by the Company. In these cases, the Company seeks to work constructively with HMRC to reach agreement on how tax law should be applied to such matters. The Company recognises that, unfortunately, not all differences can be resolved and only as a last resort would the Company consider litigation to reach a conclusion on an issue.