

## **Europcar UK Group - Tax Strategy**

### **1. Introduction**

This statement sets out the tax strategy of all the UK subsidiaries of Europcar Mobility Group SA (the "Group"). A simplified organisation structure chart is available on the Group's EMG website [www.europcar.com](http://www.europcar.com) under the investors section. Europcar Group UK Limited is the principle operating subsidiary in the UK and is head of the tax arrangements in the UK for all UK entities of the Group ("UK Group").

This UK Group Tax Strategy is effective from the financial year commencing 1<sup>st</sup> January 2019.

This statement has been approved by the Board of Europcar Group UK Limited and the Group Tax Director of the Group and its publication on the Europcar UK website (<https://www.europcar.co.uk>) is regarded as complying with the statutory duty under schedule 19 paragraph 16(2) of Finance Act 2016.

### **2. Governance**

The Group's Code of conduct is available in the document "Europcar Code of Ethics & Commitments" on the Group website under other financial documents in the investors section. This ethics document sets out a list of principles governing Europcar staff behaviour and is binding on all the employees of the Group. This provides the framework for Europcar UK Group approach to its tax affairs. The Group's overall approach to tax is determined by the Group Tax Director who reports into the Group Chief Financial Officer who is monitored by the Group Audit Committee. Under the Group's Tax policy, each entity's Finance Director is responsible for all local tax compliance and is supported by the entity's finance and tax managers, the Group Tax Director and external advisors as required. The Group tax policy document requires strict compliance with local tax legislation /regulations and international norms.

### **3. Tax Risk Management**

Overall the Group seeks to minimise the level of tax risk arising from its operations by maintaining a good system of financial processes, internal controls, reconciliations and management analytical reviews. The UK Group employs a tax manager who reports directly to the UK Finance Director and who also has a secondary reporting line to the Group Tax Director which ensures all significant tax matters are fully discussed at the highest possible level. Due to the complexity of the nature of Europcar's business and the current tax law and guidance, tax risk may occasionally arise. The UK Group assesses it as and when it arises and seeks to resolve by discussions with HMRC and using external advisors if appropriate.

### **4. Attitude to Tax Planning**

The UK Group is fully committed to conduct its tax affairs consistent with complying with all UK tax legislation, rules and regulations to ensure correct amount of tax is paid. It pays the appropriate level of taxes when conducting its business at all times within the tax framework specified in the UK tax legislation and seeking external advice from reputable firms as and when necessary. The Group do not undertake aggressive tax planning that is contrived or artificial.

### **5. Working with UK HM Revenue and Customs**

The UK Group is committed to the principles of openness and transparency in dealing with HMRC based on the concepts of integrity, collaboration and mutual trust and actively seek to resolve any tax disputes through constructive discussions with HMRC Customer Compliance Manager (CCM) and other officers. The tax manager is the principal contact for all communication with HMRC.