

Europcar UK Limited - Tax Strategy

1. Introduction

This document sets out Europcar UK Limited's tax strategy and approach to conducting its tax affairs and dealing with tax risk and covers all current and future UK subsidiaries of Europcar UK Limited and the E-Car Club entities administered by Europcar Group UK Limited (the "Group"). The Group Tax Strategy document is effective for the year ending 31 December 2017.

This document has been approved by the Board of Europcar UK Limited and publication is regarded as complying with the statutory duty under schedule 19 paragraph 16(2) of Finance Act 2016. This document will be periodically reviewed by the Board for any amendments required.

2. Europcar UK Tax Policy

The Group is committed to conduct its tax affairs consistent with the following objectives:

1. The Board will identify the UK entity's Senior Accounting Officer ("SAO") at an early stage in the entity's financial year and will ensure that the SAO is a Board member with sufficient information and authority to fulfil their responsibility.
2. Maintain financial systems, processes & controls to ensure that all tax data is correctly identified for tax reporting.
3. Comply with all UK tax legislation, rules and regulations to ensure correct amount of tax is paid to HMRC.
4. Apply professional diligence and care in the management of all tax filings including but not limited to Corporation tax, PAYE/NI, & VAT.
5. Minimise tax costs of conducting its business activities as appropriate but 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 will not undertake tax planning that is contrived or artificial.
6. Maintain 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 Relationship Manager (CRM) and other officers.

3. Tax Governance & Tax risk management

The Board has identified that for 2017, the Finance Director of Europcar UK Limited is the Senior Accounting Officer for the Group. The 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 of Europcar Groupe SA which ensures all significant tax matters are fully discussed at the highest possible level. The tax manager is the principal contact for all communication with HMRC.

The Group seeks to reduce the level of tax risk arising from its operations by maintaining a good system of financial processes, internal controls, reconciliations and management analytical reviews. Steps are taken to address any tax risks identified including seeking external advice or dialogue required with HMRC.