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## **LeasePlan Tax Principles**

LeasePlan acknowledges that tax revenues enable governments serving the common good and interests of society. LeasePlan is a socially responsible company and therefore demonstrates a sustainable approach to all taxes applicable to LeasePlan, taking into account all stakeholders' views on tax. In this respect LeasePlan believes that responsible tax behaviour is an essential element of LeasePlan's strategy on corporate social responsibility and sustainability. As part of living the core values and principles of conducting business as defined in LeasePlan's public Code of Conduct, including corporate social responsibility, the below principles apply to LeasePlan in dealing with its tax affairs. All employees are required to follow these principles.

These principles are subject to an annual review by LeasePlan's Audit Committee or if necessitated by changes in activities or regulatory changes.

As a financial institution subject to banking supervision in the Netherlands, carried out by the European Central Bank (ECB) and the Dutch Authority for Financial Markets (AFM), LeasePlan is living up to high internal governance standards.

### **Tax follows the business**

LeasePlan reports its income in the location where operational activities are carried out and where value is created, meaning that LeasePlan pays tax on its operational activities in those countries where the operational activities take place. In the normal course of leasing cars and providing related services to customers, LeasePlan may benefit from tax incentives, tax exemptions or other tax benefits as defined in the relevant laws and regulations of the countries LeasePlan operates in.

### **LeasePlan acts in line with the letter and spirit of the law**

LeasePlan aims to be compliant with applicable laws and regulations, both in spirit of as well as the letter of the law. LeasePlan takes into account international tax transparency and anti-tax avoidance initiatives like the OECD project on Base Erosion and Profit Shifting (BEPS) and the Anti-Tax Avoidance Directives and Directive on Administrative Cooperation (DAC) of the European Commission. Under the sixth DAC measure (DAC6) LeasePlan is subject to the obligation of disclosing cross-border tax arrangements to the tax authorities ('mandatory disclosure'). LeasePlan's transfer pricing policies are based on the arm's length standard as described in the OECD Transfer Pricing guidelines. LeasePlan refrains from the use of complex and potentially non-transparent structures and is not active in and/or doing business in countries included in the EU list of non-cooperative jurisdictions for tax purposes.

### **LeasePlan manages tax risks**

LeasePlan has a low appetite for tax risk. LeasePlan manages tax risks via a risk based approach, key risk indicators and tax controls, which are monitored and improved on a continuous basis. Internal audit has tax as a topic on their audit agenda when visiting LeasePlan entities.

### **LeasePlan transparently reports on its tax position**

LeasePlan is transparent about its approach to tax and communicates clearly on its tax position. LeasePlan discloses tax positions on a country by country basis.

### **LeasePlan's relationships with authorities are based on integrity and respect**

LeasePlan values a good, cooperative and transparent relationship with tax authorities and other supervisory bodies, based on integrity and mutual respect. LeasePlan acts accordingly in developing these relations. LeasePlan acknowledges that a timely resolution of differences in view of tax positions benefit all of its stakeholders. LeasePlan is a cooperative tax payer, paying its taxes rightfully due on time and in full.

### **LeasePlan's clients remain responsible for their tax compliance**

Clients are responsible for their tax policy, principles and tax compliance, including reasonable best efforts to comply with the spirit of the law.