

## **Our Company**

Inchcape is the leading independent multi-brand global automotive distributor, operating in over 40 markets and territories with a portfolio of the world's leading automotive brands. Inchcape has diversified multi-channel revenue streams including sale of new and used vehicles, parts, service, finance and insurance. Inchcape's purpose is to bring mobility to the world's communities – for today, for tomorrow and for the better.

Our approach to tax supports this purpose and also balances the interests of our various stakeholders including customers, suppliers, shareholders, governments and employees.

## **Scope of the Tax Policy**

Inchcape pays a range of taxes including corporate income taxes, stamp duties, withholding taxes, employment and other taxes. We also collect and pay employee taxes as well as indirect taxes such as VAT and excise duties. For the purposes of the Group's tax strategy, tax is defined as all forms of direct or indirect tax charges or levies including corporate income tax, VAT, payroll taxes, excise and import duties, stamp duties and withholding taxes.

The Group's tax strategy applies to all entities in the Group as well as all Directors and employees whose actions or responsibilities impact on the management of tax.

## **Tax Governance Framework**

The Chief Financial Officer is responsible for the Group's tax strategy which is overseen and approved by the Main Board. The Chief Financial Officer delegates the implementation of the Group's tax strategy to the Group Tax Director and delivery of the strategy is supported by the Group tax team and finance teams. The tax strategy is reviewed on a regular basis and any changes are approved by the Main Board.

In addition, the status of the Group's tax affairs is regularly reported to the Group Audit Committee and the Group Audit Committee is responsible for monitoring any significant tax matters. Audit Committee meetings are attended by the Chief Financial Officer and Group Tax Director.

## **Tax Risk Management**

Our overall risk management framework requires that we have in place appropriate policies, processes and controls to minimise risks from impacting our business, or to enable us to respond promptly and decisively when they do. This gives us confidence in our ability to achieve our strategic objectives and support the long-term sustainable growth of our business. A description of our risk management framework can be found in our latest Annual Report ("Effective Risk Management").

We are committed to complying with tax law and practice in all the territories in which we operate. As such, our tax risk management policy requires operations within the Group to establish appropriate tax compliance procedures.

As part of our financial reporting cycle, the Group tax team assesses any tax risks arising including those reported by the operations. Material risks are notified to the Audit Committee.

## **Tax Planning**

We will only engage in tax planning that directly supports our commercial activities. Thus, any tax planning undertaken will have commercial and economic substance and will have regard to the Group's wider strategy. We will seek to minimise uncertainty, risk or disputes and we will engage external advisors as appropriate to achieve this. As such our appetite for risk is low in this regard.

We do make use of those tax incentives and exemptions intentionally provided in law, for example capital allowances and credits associated with research and development expenditure.

The Group does not tolerate any of its associates (employees, agents, or suppliers) undertaking tax evasion themselves or taking action to facilitate tax evasion by another person whilst acting in that capacity. These principles are embedded into the Group's Tax Policy.

## **Relationship with HM Revenue and Customs**

We engage with HM Revenue and Customs ("HMRC"), with honesty, integrity and transparency in respect of all tax matters. We will work collaboratively with HMRC wherever possible to resolve disputes or where there is uncertainty in the interpretation of tax laws. We will seek to apply these principles when interacting with other Tax Authorities.

*Inchcape plc considers that the publication of this statement complies with the duty set out in Paragraph 16(2) Schedule 19 Finance Act 2016 in respect of the year to 31 December 2025.*