

# ALGECO GROUP'S APPROACH TO TAX ("TAX STRATEGY")

## INTRODUCTION

The Algeco Group's ("the Group's") approach to tax is guided by our values. We aim to fully comply with our legal obligations and engage openly and constructively with tax authorities whilst also effectively managing our tax expense; thus promoting the sustainable growth of the Group's business. Our approach to tax applies globally to all of the countries in which we operate.

## OUR APPROACH TO TAX GOVERNANCE

Responsibility for the Group's tax strategy, tax risk management and tax governance lies with the Chief Financial Officer, with oversight from the Board of Directors and the Audit Committee.

Day-to-day responsibility for the implementation of the Group's tax strategy and for ensuring that the necessary policies and procedures are in place to support that approach rests with the Group's Corporate Tax Director, our in-house tax team and the operational teams with tax responsibilities within the Business.

## OUR APPROACH TO TAX RISK MANAGEMENT

The Group operates a framework to manage its tax risks. This involves having a specialist in-house team of tax professionals supported by external advisers. There are regular governance meetings involving the Business and the tax team to identify, assess and monitor tax risks arising from operations. Any significant issues are reported to senior management who will brief the Board as appropriate.

## OUR ATTITUDE TOWARDS TAX PLANNING

Consistent with our values, we only undertake tax planning that supports the Group's genuine commercial activities and transactions. We seek to achieve this through Identifying and considering both the potential tax costs and tax opportunities arising from the proposed commercial transactions; and not using contrived or artificial tax structures that have no commercial substance.

## THE LEVEL OF RISK IN RELATION TO TAXATION THAT WE ARE PREPARED TO ACCEPT

Algeco Group adopts a "more likely than not" approach to the level of tax risk that it is prepared to accept; i.e. whilst the Group aims for certainty on the tax positions it adopts, written advice or

confirmation will be sought, as appropriate, where tax law is unclear or subject to interpretation, to ensure, so far as possible, that the outcome is in line with the tax position adopted by the Group.

## **OUR APPROACH TOWARDS DEALING WITH TAX AUTHORITIES**

We believe in an open, timely and constructive dialogue with all tax authorities; and seek to sustain a good working relationship with them. We do nevertheless recognise that there may be occasions where it is not possible to reconcile different points of view so that litigation may be needed.

This document, published by Algeco Group on December 20th, 2018 complies with its duty under Part 2 Schedule 19 of Finance Act 2016 to publish a tax strategy for its UK sub-group and each of its UK qualifying companies for the accounting period ended 31 December 2018.