HERTZ – UK GROUP TAX STRATEGY

INTRODUCTION

This document sets out the tax strategy of Hertz Holdings III UK Limited and its UK subsidiary undertakings (the UK Group, hereinafter “Hertz”).

The UK group is ultimately wholly owned by Hertz Global Holdings Inc. which is a US NYSE listed multinational engaged in the car rental business.

In making this strategy document available, Hertz is fulfilling its responsibilities under paragraph 16 (2) of Schedule 19 of the Finance Act 2016. This tax strategy publication relates to the financial year ended 31 December 2020.

TAX STRATEGY

Hertz is committed to:

- Timely and accurate tax compliance.
- Not engaging in aggressive tax planning.
- Maintaining an open and constructive relationship with tax authorities.
- Business partnering in order to identify and minimise tax risk.

The above strategy statement has been approved and reviewed by the Board of Directors of Hertz Holdings III UK Limited.

TAX RISK

The level of risk which Hertz accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the group’s tax affairs.

TAX RISK MANAGEMENT

Day-to-day responsibility for the management of tax risk lies with the UK-based International Tax Senior Director who reports directly to the Global Head of Tax and indirectly to the UK-based Senior Vice President, Finance International.

The International Tax Senior Director is supported by a team of suitably qualified, experienced and highly engaged professionals. Processes relating to different taxes are allocated to appropriate subject-matter owners. These functional owners carry out ongoing reviews of activities and processes to identify key risks and embed mitigating controls.

Independent monitoring of tax risk management is undertaken within a governance framework, which aligns to the Group’s broader risk and control framework. This includes regular reviews by internal audit and Sarbanes-Oxley teams as well as quarterly tax reviews by third party auditing firms.
Cross-departmental collaboration is a fundamental working practice at Hertz. Senior leaders ensure that the tax function is brought into the early stages of new initiatives and transactions in order to minimise any tax risk.

Where the actions of colleagues outside the tax team have a material and/or recurring tax impact, the tax team endeavour to build tax awareness and understanding outside the tax function in order to mitigate tax risk.

UK tax affairs and risk are discussed at regular Finance meetings where participants include the UK Senior Accounting Officer.

**WORKING WITH HMRC**

Hertz seeks to maintain a transparent and constructive relationship with HMRC.

We ensure that HMRC is made aware of any significant transactions and changes in the business, which could have a material impact on our tax filings.

When necessary, we will reach out to HMRC for clarification and guidance regarding tax legislation and other tax matters.

Should we become aware of any errors in our tax filings, we seek to rectify the position and make, where appropriate, voluntary disclosures.

In the event that an enquiry should arise, Hertz is committed to co-operating fully with any investigation with a view to timely resolution of issues.

**TAX PLANNING**

Working within tax rules and regulations, Hertz will seek to manage tax matters, such as effective rate and cash tax payments, efficiently.

External tax experts are engaged to help us meet our compliance requirements. Our advisors are also a means of staying updated on ever-evolving tax law. We work with reputable advisors, who understand our business and our stance on tax planning.

Hertz is not motivated by tax planning and does not engage in aggressive tax planning. All transactions must have a business purpose and commercial rationale.