

Continental Teves UK Limited UK Tax Strategy

Tax Policy : Financial year ending 31st December 2019

Date of Publication : 1st December 2019

This policy applies to Continental Teves UK Limited only.

This document will be owned by the Board of Continental Teves UK Ltd and the Senior Management Team of Continental Teves UK Ltd. It will be reviewed annually by the Finance Director, for approval by the Managing Director, and any proposed changes will be discussed and approved by the Senior Management Team and the Board of Continental Teves UK Ltd.

How the Company manages its UK tax risks

Effective risk management is paramount for Continental Teves UK Ltd and underpins the strategy for growth and profitability. The Company's appetite for risk is a carefully calibrated part of the business model aligned to the strategic objectives of the company and Continental AG Group's corporate objectives. The aim is not to avoid or eliminate risk entirely, but to strictly manage Continental Teves UK Ltd's exposure to risk wherever possible in a balanced and as controllable manner as possible.

The Finance Director, who is also the Senior Accounting Officer (SAO) for the Company, has ultimate responsibility for the tax affairs of the company at Board and Senior Management team level and provides updates to them as necessary on the tax affairs and risks of Continental Teves UK Ltd to ensure the proper control and management of tax risks. The Finance Director has the support of the finance team, who manage tax risks on a day to day basis. The finance team includes members of appropriately qualified and experienced personnel whose knowledge is up to date through continued professional development.

Where there are areas of uncertainty or higher complexity in relation to a risk advice will be sought from external tax advisors to ensure that the tax issue is appropriately dealt with, however, full ownership of the final tax position remains with the Company.

The Company's attitude to UK tax planning

The Company will not undertake tax planning where it is likely to be considered aggressive by HMRC and/or by other tax authorities. Only routine tax planning, which has a high likelihood of being accepted by the relevant tax authority, would be considered. Any planning undertaken would be fully disclosed to the relevant tax authority and would be undertaken using analysis and/or advice by Continental Teves UK Ltd's tax advisers. We also seek to interpret tax legislation both within the spirit and intention of the law.

The Company and its UK tax risks

Given the activities of the company and the volume of tax obligations, tax risks will inevitably arise from time to time. We actively seek to identify, evaluate, monitor and manage these risks to ensure they remain in line with the company's objectives and broad attitude to risk.



Commitment to Compliance

We are committed to comply with all UK tax legislation. Compliance for us means paying the correct amount of tax at the correct time, disclosing all relevant information to the tax authorities and claiming reliefs and incentives where applicable.

Working with HMRC

Continental Teves UK Ltd will comply with all relevant legal disclosure and approval requirements and all information will be clearly presented to HMRC as appropriate. We engage with HMRC with honesty and integrity and in an open and transparent manner. The strategic aim is to avoid unnecessary disputes with HMRC and thus minimise tax risk.

This paper sets out the tax strategy of the company, and in making this strategy available is fulfilling its responsibilities under Schedule 19 of the Finance Act 2016.