



Transdev - UK Tax Strategy

This document sets out the approach and strategy for handling the tax affairs of Transdev plc and its subsidiaries (the “Group”).

The Group is a major passenger transport provider employing over 1,400 staff; these operations include bus and coach services. As a large business and employer, the Group pays, collects and remits a number of taxes including corporation tax, social security taxes and VAT among others. The Group’s approach to tax seeks to support the vision of the Group and meet the interests of various stakeholders.

The Group considers that the following information is compliant with the requirements of paragraph 16(2) of Schedule 19 of the Finance Act 2016 in relation to the 2020 financial year.

Approach to Risk Management and Governance Arrangements

The directors of the Group are committed to ensuring that it continues to meet its objectives and has overall responsibility for governance, risk management and decisions made in relation to key tax matters.

The UK Finance Director has operational oversight and management of the Group’s tax affairs and defers to external tax advisers for support where required.

Material tax concerns are periodically reported to the Group’s parent company, Transdev Group SA. The in-house tax team at Transdev Group SA hold overall responsibility for tax matters relating to the wider international group, which includes the provision of assistance on UK tax matters affecting the Group, where required.

Tax Planning

The Group’s commitment to combat corruption, influence peddling, money laundering and terrorist financing has been formalised since 2016. The Group’s principles are promoted and reinforced at all times, both internally and externally. An anti-corruption policy, based on a specific code of conduct explaining the overall group’s main risks, recommendations and requirements is deployed in the UK via training and a personal commitment.

The Group continually seeks new opportunities of company acquisitions and new business contracts. This involves significant contact with local government and councils and seeks to fully comply with public procurement requirements, as such a positive reputation in respect of taxation matters is imperative.

Tax planning is only undertaken to the extent that it is compliant with tax laws and supports the Group’s commercial activities and reputation. External tax advisers provide support to the UK Finance Director and the Group’s accounting team in relation to compliance and other tax matters.

The Group does not interpret tax law in a manner that manipulates its original intentions.

A zero-tolerance approach is taken in relation to tax evasion by any persons acting on the Group’s behalf.

Level of Risk in Relation to UK Taxation that the Group is Prepared to Accept

The Group adopts a low risk approach to tax matters. External tax advisers are utilised to assist with complex decisions or areas of uncertainty.

The Group recognises its responsibility to pay the appropriate amounts of tax at the correct time and is compliant with UK tax rules and tax reporting obligations. It pays contributions in all areas of the business, including but not limited to, corporation tax, National Insurance contributions, income tax, VAT, diesel taxes and other local taxes and levies.

Fair practices are an essential component of the Group's actions. This principle is enshrined in the Group's Code of Ethics, which informs each employee on "doing the right thing" by formally describing 21 key principles. This approach, which is promoted by the overseas group's Chief Executive Officer, is based on a network of Ethics and Compliance officers in each country, as well as on the coordination provided by the overseas group's Ethics and Compliance Committee.

The Group's tax conduct is in line with international developments affecting the UK, including the OECD guidelines.

Approach Towards Dealing with HMRC

The Group seeks to communicate with HMRC in an open and fair manner and aims to do so on a real time basis, as and when required, either directly by the Group or via tax advisers.

The Group commits to meeting its compliance obligations in a timely manner, making accurate returns and providing adequate disclosure on returns and in relation to specific transactions.

The above strategy document was approved by the UK Finance Director in relation to the 2020 financial year.