

OPENLANE, Inc.'s Strategy in Relation to UK Taxation

Group Overview

OPENLANE, Inc. ("OPENLANE", "we", or "the company"), an entity listed on the New York Stock Exchange as KAR, is the ultimate parent of the companies that form the OPENLANE Group. OPENLANE is headquartered in Carmel, Indiana, U.S.A.

The OPENLANE Group provides sellers and buyers across the global wholesale used vehicle industry with innovative, technology-driven remarketing solutions. OPENLANE's unique end-to-end platform supports whole car, financing, logistics and other ancillary and related services. Our integrated physical, online and mobile marketplaces reduce risk, improve transparency and streamline transactions for our customers.

Introduction

This document sets out the OPENLANE Group's policy and approach to conducting its tax affairs and dealing with tax risk. Our tax strategy is to maintain the highest standards of tax compliance by managing our tax affairs in full compliance with UK tax laws and tax laws of all other jurisdictions in which we operate. Our tax strategy applies to all OPENLANE Group companies.

This document is published pursuant to requirements set out in Sch. 19 Finance Act 2016 in respect of the year ended 31 December 2023. The strategy applies to KAR Auction Services International Limited and OPENLANE Remarketing Limited.

The document will be periodically reviewed and any amendments will be approved by OPENLANE's Chief Financial Officer.

The Vice President of Tax ("VP of Tax") ensures that:

- The strategy is adopted and followed consistently across the OPENLANE Group.
- There is alignment of the strategy with the global business's overall approach to corporate governance and risk management.
- The OPENLANE Group meets its tax obligations, by the relevant deadlines under the tax laws and regulations of the UK and all other jurisdictions in which we operate.

Tax policy

The OPENLANE Group is committed to conducting its tax affairs as follows:

- In compliance with all relevant tax laws and regulations in the UK and all other jurisdictions in which we operate.
- Ensuring the tax strategy is at all times consistent with the OPENLANE Group's overall strategy, its approach to risk, and the OPENLANE Group's core values.
- Applying diligence in the management of all risks associated with tax matters.
- Engaging with tax authorities in an open and honest manner that reflects integrity and respect.

Risk management and governance

The ultimate responsibility for the OPENLANE Group's tax affairs rests with the Chief Financial Officer ("CFO"). Oversight is provided by the Board of Directors. Day-to-day management of tax is delegated by the CFO to the VP of Tax. The VP of Tax is supported by a team comprised of appropriately qualified and experienced personnel whose knowledge is up-to-date through continuing professional development. Advice is obtained from external professional advisors when it is judged to be required, for instance, where tax guidance is unclear or where alternative interpretations or approaches might result in different tax outcomes.

Management of Tax Risks

As a multinational group, we are exposed to a variety of risks, both internally and externally, that could affect our business. The more significant risks we consider from a tax perspective include complexity and jurisdictional risk, legislative and regulatory changes, tax compliance and reporting risks, and business operational risks. As a result, the OPENLANE Group does not have a prescriptive policy on levels of acceptable tax risk.

When reviewing the tax risks associated with a specific decision or action, the OPENLANE Group ensures that the following are considered:

- Legal and fiduciary duties of directors and employees.
- Related internal policies and procedures.
- Maintenance of the OPENLANE Group's corporate reputation.

Attitude to Tax Planning

- Applicable incentives and reliefs are used to reduce the tax costs of conducting business while ensuring reliefs are not used for purposes which are knowingly contradictory to the intent of the tax legislation.
- In cases where tax guidance is unclear, or where alternative interpretations or approaches might result in different tax outcomes, the OPENLANE Group will use its best judgement to determine the appropriate course of action. This will usually involve seeking advice from external professional advisers where needed and applicable.
- The OPENLANE Group will not enter into transactions that have a main purpose of gaining a tax advantage or intentionally make interpretations of tax law that are opposed to the original intentions of the legislation.
- Any tax planning undertaken will have commercial and economic substance in line with the OPENLANE Group's commercial activities.

Relationship with HMRC

We aim to have a constructive, professional and transparent relationship with HMRC, and in particular the OPENLANE Group commits to:

- Conducting its communications with HMRC in a courteous and timely manner, and with openness and honesty.
- Make fair, accurate and timely disclosure in correspondence and returns, and respond to queries and information requests in a timely fashion.
- Work together to resolve issues if disagreements were to arise.

31 December 2023