UNIVERSAL REGISTRATION DOCUMENT 2019

Europcar Mobility Group

Preliminary comment

On March 23, 2020, our Group announced that its business has been affected by the crisis caused by the Covid-19 pandemic (see the Subsequent events section). Throughout this sanitary and economic crisis, Europcar Mobility Group's priorities are the safety of its customers and its employees, the implementation of exceptional cost-saving and cash preservation measures to navigate through the next months of crisis as best it can, and contributing to fighting the epidemic by making vehicles available to people and businesses that are on the front line (healthcare staff and retailers delivering essential goods).

Given the scale of this crisis, the Group considers that its 2020 objectives are no longer relevant and that it is also premature to estimate the full impacts of this crisis on the Group's short-term (2020) and mid-term (2023) objectives. These impacts will depend on the length of the outbreak and on the pace of recovery of both local economies and local and international tourism after this episode.

Our Group, as a mobility services company, has a 70-year history of service to the public as well as local and international companies. In all the countries where we do business, we represent an alternative to public transportation and private vehicle ownership, whether through short-term rentals or car sharing. In all the countries where we do business, we are an integral part of the supply chain and operating models of many companies, especially in the distribution and logistics sector, but also for healthcare services, the police, social work, and central and local governments, by renting them the vehicles they need when they need them.

Throughout this period, we will do everything in our power to pursue this mission, with safety and flexibility: now, more than ever, we see our "shared mobility" services (rental, car sharing) as essential services.

As soon as this crisis has ended, Europcar Mobility Group will review its strategic roadmap in light of the new mobility challenges and customer expectations that may emerge or that may have been reinforced during the crisis. Throughout all of this, we will rely on our purpose: to offer attractive alternatives to vehicle ownership in a responsible and sustainable way. Our Group is already working in this direction.

The Group will also be able to count on the solid foundations it has built in recent years for the future: in particular its digital platform, its ability to operate an essential mobility service adapted to its customers' everyday needs, in a highly localized and granular way (9.5 million customers, 91 million rental days), and our employees' capacity for commitment.

Our 2019 Universal Registration Document reflects these foundations, our 2019 achievements, and the key features of our strategy. In the coming months, we will adapt the way we implement this strategy so we can provide the most relevant answers to society's needs in terms of individual and collective mobility challenges, thereby being a part of the solutions required by future economies.

UNIVERSAL REGISTRATION DOCUMENT 2019

General comments

Pursuant to Article 19 of regulation (EU) 2017-1129, the following are included by reference in this Universal Registration Document (hereinafter the "Universal Registration Document"):

- the annual financial report, which must be prepared and published by all companies whose securities are admitted to trading on a regulated market within four months of the end of each fiscal year, in accordance with Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the General regulation of the French financial markets authority; and
- the annual management report of the Management Board of Europcar Mobility Group SA, which must be submitted to the Shareholders' Meeting called to approve the financial statements of each fiscal year, in accordance with Articles L. 225-100 et seq. of the French Commercial Code.

The press release published by the Company on May 5, 2020 relating to the Company's first quarter 2020 results is also incorporated by reference in this Universal Registration Document [1].

Two cross-reference tables presented in Section 7.7 of this Universal Registration Document on pages 413 to 418 identify the information related to these two reports.

In this Universal Registration Document, the terms "Company," "Europcar Mobility Group" and "Europcar Mobility Group SA" refer to Europcar Mobility Group, the Group holding company. The term "the Group" refers to Europcar Mobility Group SA and and its consolidated subsidiaries.

In this Universal Registration Document and unless otherwise stated, the 2019 figures concerning the Corporate Countries include the following:

- data relating to the Finnish and Norwegian group of companies, a former Group franchisee, acquired by Europcar on May 31, 2019, for the period between June 1 and December 31, 2019. It is specified that the balance sheet of this former franchisee was consolidated into the financial statements of Europcar Mobility Group as of December 31, 2019, but its income statement was consolidated into these financial statements for the aforementioned period only. The figures relating to franchisees therefore include data concerning the former Finnish and Norwegian franchisee for the period between January 1, 2019 and May 31, 2019; and
- data concerning Fox, a group of companies incorporated in the United States acquired by Europcar on October 31, 2019 for the period between November 1 and December 31, 2019. It is specified that the balance sheet of Fox was consolidated into the financial statements of Europcar Mobility Group as of December 31, 2019, but that the income statement of Fox was consolidated into the financial statements of Europcar Mobility Group for the aforementioned period only;
- the consolidated financial statements of the Group for the year ended December 31, 2018 contained in Section 3.4 of the Registration Document filed with the French financial markets authority on March 27, 2019 under number R. 19-0210 (the "2018 Registration Document") on pages 154 et seq.;
- the report of the Statutory Auditors on the consolidated financial statements of the Group for the fiscal year ended December 31, 2018 contained in Section 3.4 of the 2018 Registration Document on pages 241-244 (inclusive);
- the comparison of results for the years ended December 31, 2018 and 2017 contained in Section 3.1.2 of the 2018 Registration Document on pages 115-123 (inclusive);
- the consolidated financial statements of the Group for the fiscal year ended December 31, 2017 contained in Section 3.4 of the Registration Document filed with the French financial markets authority on April 20, 2018 under number R. 18-020 (the "2017 Registration Document") on page 159 et seq.;
- the report of the Statutory Auditors on the consolidated financial statements of the Group for the fiscal year ended December 31, 2017 contained in Section 3.4 of the 2017 Registration Document on pages 241-244 (inclusive);
- the comparison of results for the years ended December 31, 2017 and 2016 contained in Section 3.1.2 of the 2017 Registration Document on pages 119-130 (inclusive).

The Sections of these documents not included by reference in this document are either irrelevant to current investors or are addressed in another part of the Universal Registration Document.

AMF AUTORITÉ DES MARCHÉS FINANCIERS

This Universal Registration Document was filed on May 6, 2020 with the French financial markets authority (AMF) as the competent authority under regulation (EU) 2017-1129, without prior approval, in accordance with Article 9 of said regulation.

This Universal Registration Document may be used for the purposes of a public offering of financial securities or the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, where applicable, a summary and any amendments to this Universal Registration Document. The body of documents thus formed is approved by the AMF in accordance with regulation (EU) 2017-1129.

(1) https://investors.europcar-group.com/fr/centre-de-results

EDITORIAL

MESSAGE FROM CAROLINE PAROT, CHAIRWOMAN OF THE MANAGEMENT BOARD

Mobility is – and has always been – a fundamental need for people and societies. And the development of mobility solutions has always been deeply linked with the way humanity evolved over centuries, striving for economic and societal progress.

Neither a market, nor a category, mobility, which is an essential component of our daily lives, is #2 in terms of world GdP today. In 2030, it will become #1, meaning than the need to move will "weigh" more than the need to feed.

These growing mobility needs that all experts predict, in line with over-population and metropolisation, are of course unsustainable. Today, more than 50% of humanity already lives in cities. In 2030, it will be 66%. And around 75% in 2050. Nearly 10 billion people! As a consequence, megacities will stretch out further, along with traffic congestion and CO_2 emissions.

Faced with these challenges, mobility ecosystems will have to be totally rethought. The traditional model based on car ownership is already heavily challenged and we are entering a new era. "25 years from now, car sharing will be the norm and car ownership the anomaly" predicts Jeremy Rifkin.

At Europcar Mobility Group, we believe that shared mobility is a critical part of the solution the world needs. We are convinced that the vision our Group was founded upon 70 years ago, in 1949, under the name of "L'Abonnement Automobile" (Automobile subscription) is as young and fresh as ever.

In cities, we aim for a real paradigm shift, fostering a decline in car ownership thanks to more car-sharing solutions in urban areas where it makes sense, both for individuals and small businesses, thus contributing to an overall reduction in CO_2 emissions and air pollution.

— INDEED, WHAT IS VEHICLE RENTAL ALL ABOUT, BE IT FOR ONE HOUR, ONE DAY, ONE WEEK OR MORE? IT'S ABOUT OFFERING AN ESSENTIAL SERVICE, IT'S ABOUT SHARING AN ASSET WITH SEVERAL OTHER PEOPLE, WHICH IN THE END CONTRIBUTES TO DECREASING THE NUMBER OF CARS ON THE ROADS AND IN THE STREETS! —

And, since we purchase over 400,000 cars per year, we have a significant impact capacity.

Our fleet, with an average renewal cycle of 9 months, based on the latest and "cleanest" motorizations, is by definition "CO_2 light". In the coming years, as technologies and infrastructures improve, it will embark more and more electric, hybrid and GNV motorizations.

This is, in a nutshell, our purpose: offering attractive alternatives to vehicle ownership, with car-rental and car-sharing, in a responsible and sustainable way. We believe this purpose is not only fair and fitted for what is at stake: it will also allow us to create greater value, putting us in a growth story. doing well by doing good, in other words.

This is for the – promising – long-term perspective. In the meantime, there may be short-term headwinds. Our performance in 2019 was thus impacted by both the Brexit situation and a global economic slowdown. These factors, which weighed on our revenue growth and profitability, led us to revise our guidance for the full year.

However, as early as end of 2019, we benefitted from the first effects of our strategic roadmap, which consists in capturing more growth by delivering value to our customers, via digital in particular, and seizing the market opportunities provided by the global mobility market. We are implementing this strategy by striving to gradually rebalance our sources of income, thus reducing the impact of seasonality effects on our business.

Thus, as of December 2019, we recorded very satisfactory momentum in all segments. In particular, our Urban Mobility Business Unit enjoyed exceptional levels of activity and new customer wins, confirming our position as a major player in car-sharing in Europe and the relevance of our round-trip model. As a result, we announced a FY 2019 revenue at €3,022 million and a Corporate EBITDA (including Urban Mobility and without IFRS 16) of €278 million.

In the coming years, our main focus will be on the implementation of our strategy, building on the solid foundations we have laid for the future: in particular, our digital platform, our ability to operate an essential mobility service on a daily basis, in a highly granular way (9.5 million customers, 91 million rental days) and our employees' capacity for commitment.

As a mobility service company, our Group has a 70-year tradition of service to the public and to local and international companies. When we see what our Group has accomplished in the last few years and what it has become in a very short time – a diversified, digitalized and multi-brand services Group, operating on an increased scale – we are confident in our ability to be one of the mobility leaders in the world of tomorrow: serving the local mobility needs of our customers, thanks to the permanent mobilization of our employees.

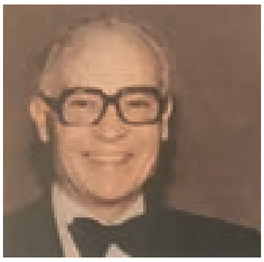
MISSION & PURPOSE

We want to be the preferred "mobility service company" for customers, by **offering attractive alternatives to vehicle ownership, in a responsible and sustainable way**:

- delivering an experience of open mobility for all. Accessibility is key: mobility should be inclusive, not excluding;
- being part of the solution towards a low-carbon world, where moves are fluid.

CONTENTS

MOBILITY SERVICE COMPANY SINCE 1949



At the end of the 19th century, the car was a luxury reserved for the elite, but an object that interested everyone! The proof: in 1898, the first car show was held in Paris.

Car rental will see the light a few years later, across the Atlantic, but its development will be stopped by the first and then by the second world war. In the aftermath of the war, a Parisian entrepreneur revived the idea: **"If you can't afford to buy a car, why not rent one when you need it?"**.

His name was Raoul-Louis Mattei and in 1949, the company that would later become the Compagnie Internationale Europcars, then Europcar, was born. Its name: l'Abonnement Automobile.

Its headquarters, located at 11 rue du Champ de Mars, also includes a rental agency. Its success is rapid, as car rental responds to a real need.

In 1951, l'Abonnement Automobile is the first company for car rental without driver and its fleet counts 750 4 CV.

Now, the Europcar Mobility Group has 334,000 vehicles on average in its fleet and serves 9.5 million customers in more than 140 countries. But **the vision our Group was founded upon remains the same, while being more relevant and promising than ever**, as we are entering the usage and sharing economy era!

1949 -2019: FROM THE ORIGINS OF THE COMPANY TO A POSITION OF N°1 IN EUROPE WITH A GLOBAL FOOTPRINT

1949

Founding of Europcar in Paris by Raoul-Louis Mattei under the name "L'Abonnement Automobile".

1951

Creation of the "Europcars" brands.

1970

Raoul-Louis Mattei sells Europcars to Régie Renault.

1973

Creation of subsidiaries in Germany, Belgium, the Netherlands and Switzerland.

1974

The "S" disappears, the brand then becomes "Europcar". Creation of subsidiaries in Spain, the UK, Italy and Portugal.

1988

Renault is replaced by Compagnie des Wagons-Lits and Volkswagen. InterRent and Europcar merge.

1991

Acquisition of Compagnie des Wagons-Lits by Accor, which thus becomes the shareholder of Europcar International.

2003

Europcar becomes the European car rental leader thanks to a strategy based on the development of operating franchises, and the development of numerous sales partnerships with travel agents, airline, companies, etc.

2005

Europcar joins the United Nations Global Compact launched by Kofi Annan at the World Economic Forum in Davos. The Group has thus adopted the ten fundamental principles of the Global Compact.

2006

Eurazeo takes control of Europcar, becoming the sole shareholder of Europe's N° 1 car rental group.

2014-2019: FROM A MONO-BRAND, MONO-BUSINESS, CAR-CENTRIC GROUP TO A MULTI-BRAND, MULTI-BUSINESS, CUSTOMER-CENTRIC AND DIGITIZED GROUP

2014

The Group's Top Management team defines the 2020 roadmap and enforces the first strategic moves, with the acquisition of Ubeeqo and the creation of the Europcar Lab.

2015

Success of the IPO. The strategic story of the Group has convinced a large panel of investors who will fund the push into mobility solutions. Mobility solutions portfolio widens with the acquisition of E-Car club.

2016

The Group's mobility solutions portfolio keeps widening with the acquisition of Brunel and Bluemove.

The Group's global footprint is reinforced with the acquisition of the Europcar franchisee in Ireland.

The Group adopts a new organization by Business Unit, to better address customers needs and new usages: 5 BUs – Cars, Vans & Trucks, Low Cost, New Mobility, International Coverage.

2017

The Group becomes "bigger, stronger, faster" through international expansion, M&A and partnerships:

- acquisition of Buchbinder, acquisition of the Europcar Danish franchisee, thus reinforcing the Cars BU and the Vans & Trucks BU;
- acquisition of Goldcar, the European leader of the Low Cost car rental, allowing the Group to enter a new league on the low cost segment;
- in the New Mobility BU, Ubeeqo keeps growing with the acquisition of Guidami in Italy.

2018

The Group adopts a new name: Europcar Mobility Group, to connect all the commercial brands of its portfolio and position itself as a mobility service provider.

This major change is followed by a move in new headquarters in Paris, fostering the Group's transformation.

All BUs are growing in their respective markets with dedicated strategies.

2019

- The Group completes its M&A program with the acquisition of Fox Rent A Car in the US. It also expands its network of corporate countries, with the acquisition of the Europcar Finnish and Norwegian franchisee.
- The now rebranded Urban Mobility BU records a double digit growth, with Ubeeqo notably becoming the N°1 car sharing player in Paris.
- Key strategic programs are progressing, with first deliveries and successful pilots (Click & Go, Key N Go, Connected cars...).
- Along with other companies, our Group commits to limiting global warming, and signs the "French Business Climate Pledge" of the MEDEF and the "Business Ambition for 1.5° C – Our Only Future" of the UN Global Compact.

Europcar
European leader of car rental and light commercial vehicle rental, B2B and B2C

Goldcar
Low-cost car rental leader in Europe

InterRent
Mid-tier car rental, leisure focused

Ubeeqo
One of the European leaders of round-trip car sharing, B2B and B2C

4 INTERNATIONAL CORE BRANDS

Buchbinder
One of the leading car rental and light commercial vehicle rental operators in Germany

GoCar
Car sharing leader in Ireland

Scooty
Electric scooter sharing in Belgium

E-Car
Electric car sharing in the UK

Brunel
Chauffeur services specialist for business customers

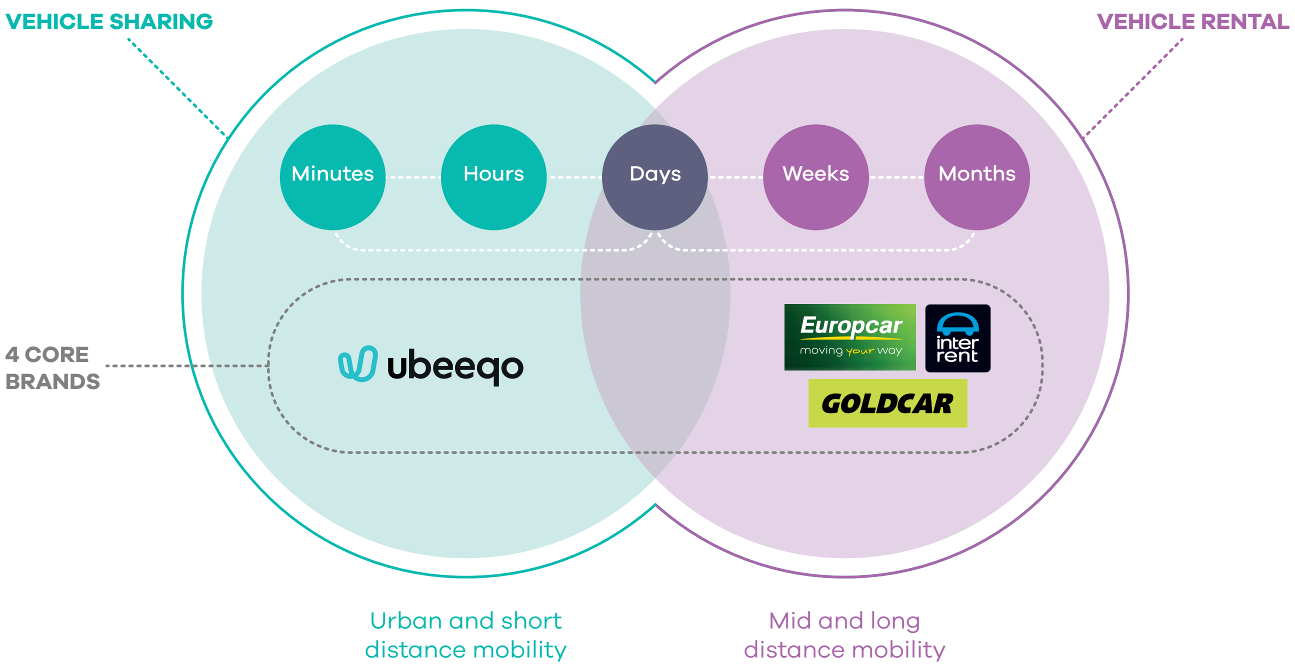
Fox Rent A Car
One of the main car rental operators in the US with a value for money positioning

Wanderio
Multimodal search and comparison platform of means of transport

7 "LOCAL CHAMPIONS" AND SPECIALIST BRANDS

OUR NETWORK – POWERED BY DIGITAL – HAS BECOME A PLATFORM SERVING CUSTOMERS WHEREVER WE OPERATE: BE IT FOR ONE HOUR, ONE DAY, ONE WEEK OR LONGER

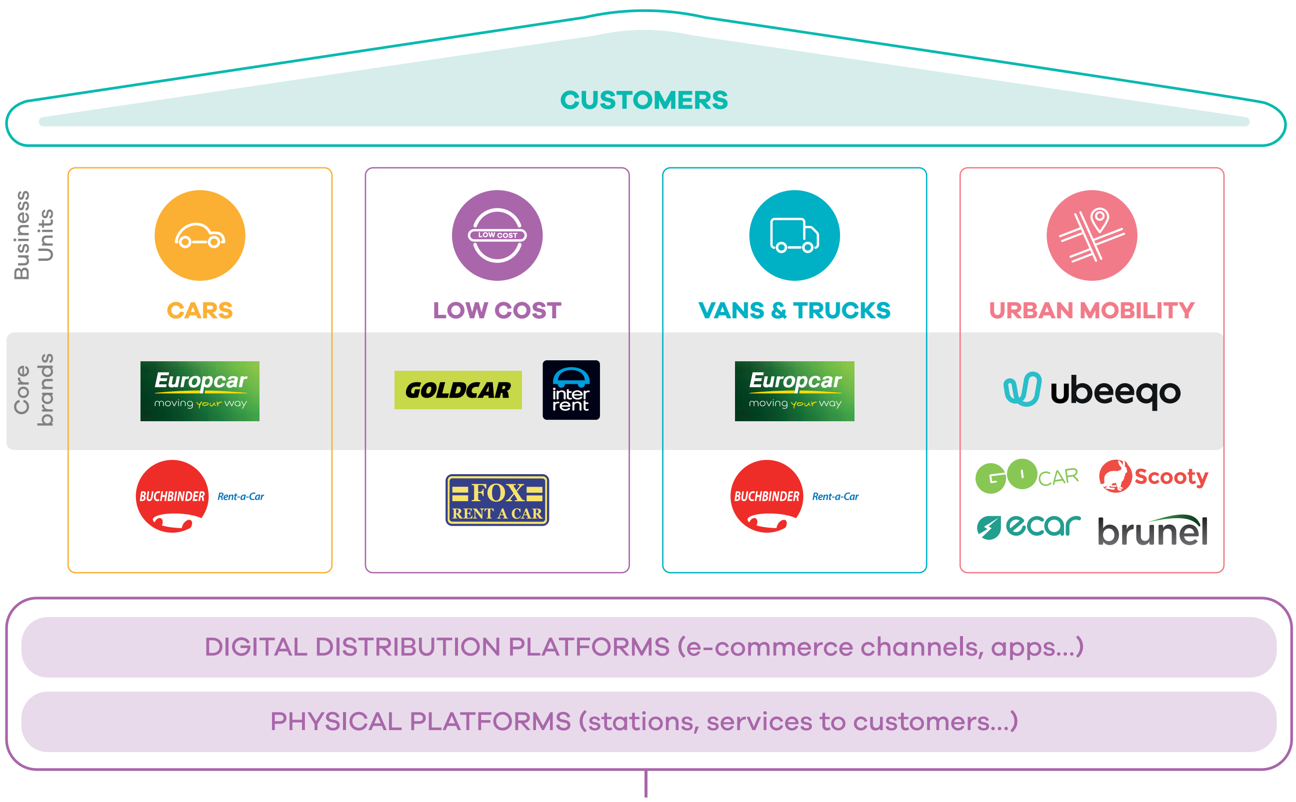
Vehicle sharing is the natural extension of vehicle rental.



CORE BRANDS, BRANDS PORTFOLIO
& BUSINESS UNITS

TODAY, WE ADDRESS VARIOUS MOBILITY USE CASES, WHATEVER THE DURATION

WITH OUR BUSINESS UNITS, WE HAVE BUILT A POWERFUL "BATTLESHIP" TO MEET CUSTOMERS' MOBILITY NEEDS



Operating model today

GLOBAL FOOTPRINT

WE SERVE OUR 9.5M CUSTOMERS IN MORE THAN 140 COUNTRIES…

NORTH AMERICA

2 COUNTRIES

Discount (1)

FOX RENT A CAR

Europcar moving your way

brunel

EUROPE

45 COUNTRIES

ubeeqo

Europcar moving your way

ecar A Europcar Company

brunel

BUCHBINDER Rent-a-Car

inter rent

GOCAR

Scooty

GOLDCAR

GLOBAL Rent-a-Car (5)

SOUTH AMERICA

29 COUNTRIES

brunel

inter rent

Europcar moving your way

(1) Canada: Partner in North America.
(2) China: Partner in Asia.
(3) India: Partner in Asia.
(4) Japan: Partner in Asia.
(5) Brand operated by Buchbinder.

Over **91m** rental days

9.5m active customers

334,000 vehicles in our fleet (on average)

Already **44,000** connected cars in our fleet

€3,022m Revenue

… WITH VERY STRONG ASSETS

MIDDLE EAST

13 COUNTRIES

ASIA

15 COUNTRIES

AFRICA

30 COUNTRIES

OCEANIA

7 PAYS

>10,000
employees

#1
in Europe

Over
3,500
stations worldwide

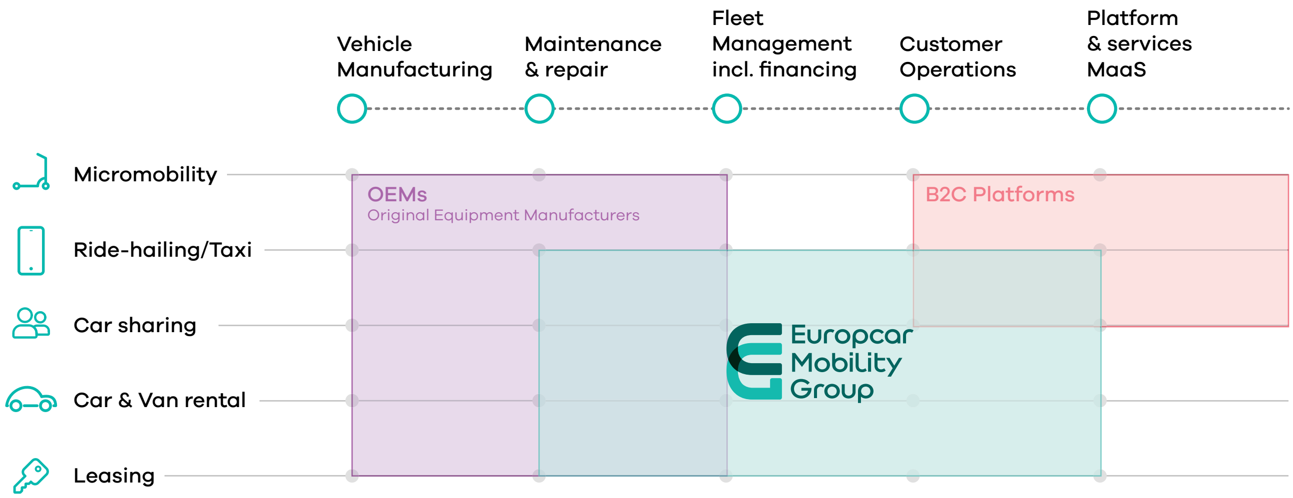
Over
1,900
direct stations

Over
1,600
franchises stations

Over
50
digital touch points

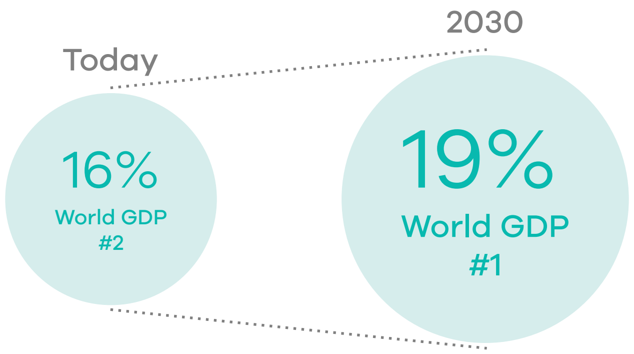
WE HAVE A UNIQUE, CENTRAL POSITION IN THE MOBILITY ECO-SYSTEM

Mapping of relevant players on the mobility value chain



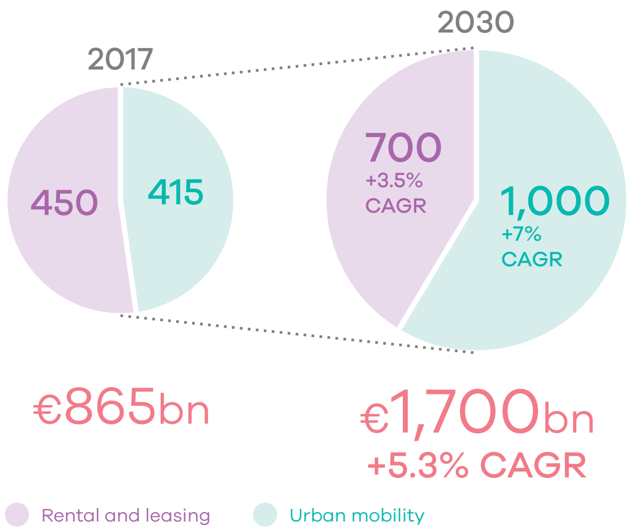
TODAY, WE ARE READY TO FURTHER CAPTURE GROWTH IN THE BOOMING MOBILITY SPACE

The "mobility business"



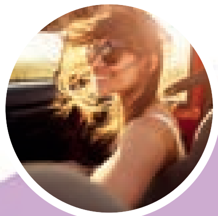
GDP: Gross Domestic Product.
Sources: International Data (IDC), Siemens "Megacity Challenges", World Bank, Oliver Wyman Analysis.

Evolution of worldwide addressable wheeled market



CAGR: Compound Annual Growth Rate.
Sources: Oliver Wyman, Wheeled Market.

WE ARE WELL POSITIONED TO SEIZE THE OPPORTUNITIES WHICH ARE AHEAD OF US



Europcar
moving your way

GOLDCAR

inter rent

ubeeqo

With

27%

market shares, we are the undisputed car rental leader in Europe with our 4 core brands

LEVERAGING OUR EXISTING ASSETS

OVER THE LAST 3 YEARS, WE HAVE HEAVILY INVESTED IN DIGITAL, IN CUSTOMER CENTRICITY...

Salesforce program

New CRM tool for the Europcar brand, now deployed to gather all our brands under the same operating system and improve sales dynamics.

3 C program

Reshaping of our call centers, at a worldwide scale, in order to reach a level of service that helps build customer loyalty and preference.

NPS 110

A programme launched for the Europcar brand and now extended to Goldcar, InterRent and Ubeeqo. Objectives: closely monitor customer satisfaction, identify pain points so as to tackle them, using co-design with customers.

Click&Go program

Digitize, simplify and enrich our customer journey. First release in 2019: a mobile App to manage bookings whatever the channel and enjoy a seamless, deskless experience.

Connected Vehicles program

Aiming at a full connected fleet, the first steps of this program focused on the building of a platform able to gather all vehicles data, allowing real time fleet and vehicle management.

... AND PEOPLE

OUR VALUES

- **CUSTOMER CENTRIC**
- **FEELING VALUED**
- **OPEN COMMUNICATION**
- **WORKING TOGETHER**

We Share 2019

Achieving our purpose – offering attractive alternatives to vehicle ownership, in a responsible and sustainable way – on a daily basis, all over the Group, is only possible if each of us, whatever the function, whatever the role, fully feels ownership plays his or her part in this exciting endeavor.

What better way to achieve this than by establishing the conditions of equity-sharing for the value that we are going to create together!

In 2019, we launched our **2nd employee shareholding plan**, with more countries and more employees in the scope. More generally, we aim to see the share of employees in the Group's capital increase year on year, with more employees represented among the Group's shareholders.

WoMob

With the **Women in Mobility network**, the ambition is to contribute to a more diverse and inclusive workplace, as well as to move forward the idea of an inclusive mobility. In that perspective, the network acts as a "change agent": empowering women by giving them tools to progress, creating meaningful connections within the Group and with other networks, contribute to concrete and innovative projects about mobility and inclusion.

In 2019, the WoMob network had 470 members and has been at the origin of over 40 initiatives (workshops, trainings, conferences, business projects...) in 8 countries.

Living our Values

Our values foster our purpose. They are part of our identity and embark each of us to create a ONE Group culture. Our Values program is three fold: understanding our values (ensure the full comprehension of our values at all levels and their impact on our business), feeling (instill pride and bring values to life) and living (anchor our values in all our business actions). In 2019, we have put the emphasis on the "feeling" and "living" parts of this program, with the launch of **Facebook Workplace**, as the new ONE Group's internal channel, where people can freely express themselves and share their sources of pride, and with the pursuit of our **You Make the Difference awards**, allowing to reward colleagues who stood out either by their contribution or their ways of working, thus embodying our values.

WE WILL WIN 5 BATTLES WITH 8 LEVERS

5 "BATTLES" TO WIN

Cross offer initiatives fuelling our Business Units (battles 4 and 5)

1 Enhanced Car rental

Develop and improve customer experience with digital.

2 Enhanced Vans & Trucks rental

Become the first European one-stop-shop for Vans & Trucks rental, offering a flexible, digital and hassle-free rental experience for all customers, especially for SMEs.

3 Scaled-up Urban Mobility

Scale-up to conquer major cities with an hybrid model, targeting both B2C and B2B customers.

4 Mid-term Rental

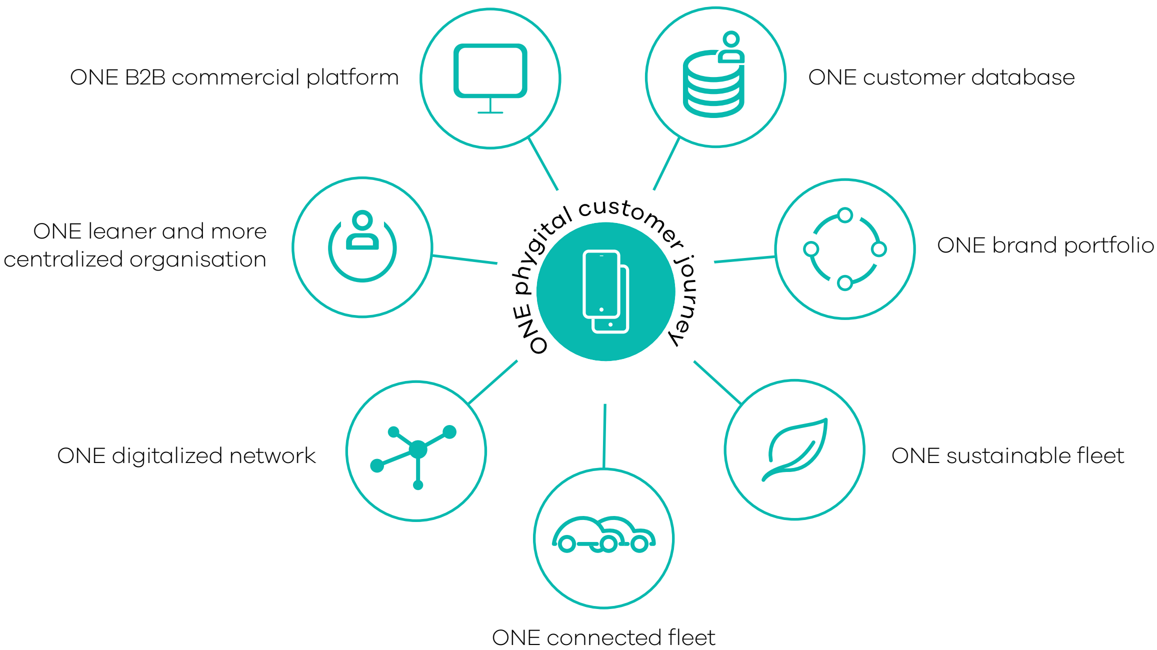
Implement Mid-Term leasing solution, focusing primarily on B2B customers.

5 Services to Corporates

Offer corporate customers a comprehensive platform of mobility services, enabling companies to improve employees' quality of life.

8 LEVERS → 8 KEY STRATEGIC INITIATIVES

24 strategic initiatives mapped to reach our objectives. Out of which, 8 are key.



ONE Connected fleet

With our ONE Connected fleet strategic initiative, we are consolidating all of the existing fleets of our 4 core brands (Europcar, Goldcar, InterRent, Ubeeqo) into One Fleet, with built-in connectivity. Built-in connectivity means: equip all our vehicles with telematics solutions, so as to collect data and improve both our fleet management efficiency and the customer experience we offer.

For the customer, it means:

- deskless and direct access to the vehicle;
- enhanced transparency on billings;
- new connected services, such as real time assistance and eco-driving guidance & scoring.

For Group's operations, it means:

- real-time control on our fleet;
- optimization of operational processes (eg: fuel management, vehicles allocation, vehicles health monitoring...);
- better management post-accidents (e.g.: access to data to shed light on the circumstances of the accident, etc.).

ONE digitalized network

With our ONE Digitalized network initiative, the objective is to transform our physical network and our operations, integrating our digital capability into all stations and leveraging on the data or our connected fleet.

Through the digitalization of our operations, we want to deliver:

- an hassle-free experience, with quicker journeys, reducing waiting times for customers;
- a personalized rental experience, tailored to their needs;
- increased accessibility with 24/7 services & direct access;
- valuable human interactions, only when needed;
- improved transparency on rental conditions and costs.

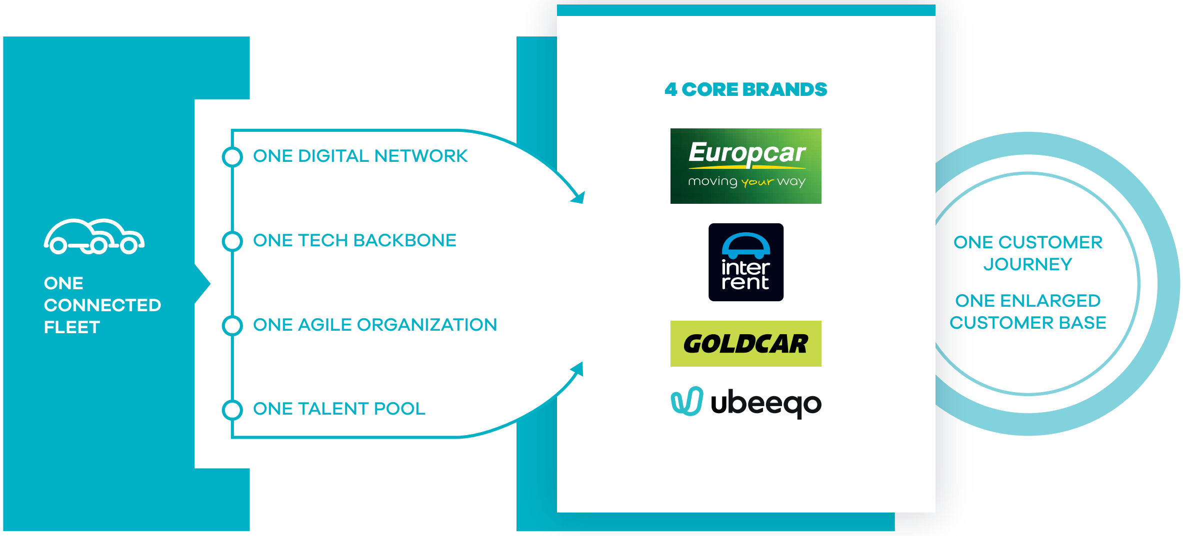
TARGET OPERATING MODEL

WITH OUR STRATEGIC INITIATIVES, WE ARE BUILDING AN AUGMENTED AND INTEGRATED INFRASTRUCTURE

OUR TARGET OPERATING MODEL

Leveraging our assets and implementing our strategic intiatives, we are building an augmented and integrated infrastructure to better capture growth opportunities.

This is how we are transforming our Group.



commit together

Make mobility accessible

Mobility is a lever for social inclusion and in this sense, we consider access to mobility as a key factor. This is why Europcar Mobility Group offers a range of varied offers, aimed at covering all customer needs, whatever their budget.

The Group's efforts in terms of access to mobility also focus on people with reduced mobility, people in precarious employment and young people from disadvantaged backgrounds.

Highlights 2019

- In France, our Group has signed a two-year partnership with Wheeliz, a start-up company which, via its platform, offers rental between individuals of adapted vehicles to facilitate mobility for people with reduced mobility.
- Our Innovation team, part of the Group's Strategy Office, conducted an in-depth research to gather best practices and identify market opportunities in the inclusive mobility area, with a view to deploying an offer(s) and/or partnerships.

Act for the environment

By the very nature of its activities, our Group wants to be part of the solution towards a low carbon world, by offering alternatives to owning an individual vehicle and thus contributing to reducing the number of cars on the roads and in cities.

Furthermore, our fleet will embark more and more electric, hybrid and GNV motorizations in the coming years. Through the "ONE sustainable fleet" programme, we are aiming for 20% of our fleet to be low carbon emission vehicles by 2023. Finally, acting on the environment means acting with our customers: we therefore seek to involve them in our approach through eco-driving awareness programs.

Highlights 2019

- The Group has given concrete expression to its climate ambition through its commitment to the Science-Based Targets initiative, which will enable it to define its greenhouse gas (GHG) emissions reduction target and its carbon trajectory.
- In Spain, the Group deployed a pilot project to raise customer awareness of eco-driving using its connected fleet in Mallorca.

Be a responsible employer

We live an exciting age of Mobility, where new usages and increasing mobility needs create job opportunities and require new skills.

In this context, Europcar Mobility Group's success is intimately bound to employees' commitment, diversity and development: these are the 3 pillars on which our Group focuses its efforts.

Highlights 2019

- Launch of the Group's women network: WoMob (Women in Mobility), focusing on gender balance, women's empowerment, women's contribution to social progress and business development.
- Success of the 2nd employee shareholding plan, with now 2.77% of the Group's capital held by its employees (12/31/2019).

Share our business ethics

We are proud of our values and committed to enforce our business ethics on a day-to-day basis. In that perspective, we want to build confidence with our customers by offering them transparent services and by improving their satisfaction all through the customer journey, thanks to dedicated programs (e.g. NPS 110).

We also want to involve all our stakeholders in the objectives and commitments we have gathered in our Code of Ethics. This ambition is reflected in the implementation of policies and the regular deployment of awareness-raising campaigns.

Highlights 2019

- Customer satisfaction: Net Promoter Score of 58 for the Europcar brand [1], and extension of the NPS 110 program to the other core brands of the Group.
- Implementation of a change program at Goldcar, led by the top management team of the Low Cost Business Unit and supported by the Group functions: to improve the transparency of the service and hence customer satisfaction and trust.

(1) The NPS of the Europcar brand is tracked historically as a Key Performance Indicator. The NPS is including all the Group's brands is 49,62 % for 2019 (see chapter 5).

OUR CSR COMMITMENTS SUPPORT OUR STRATEGY

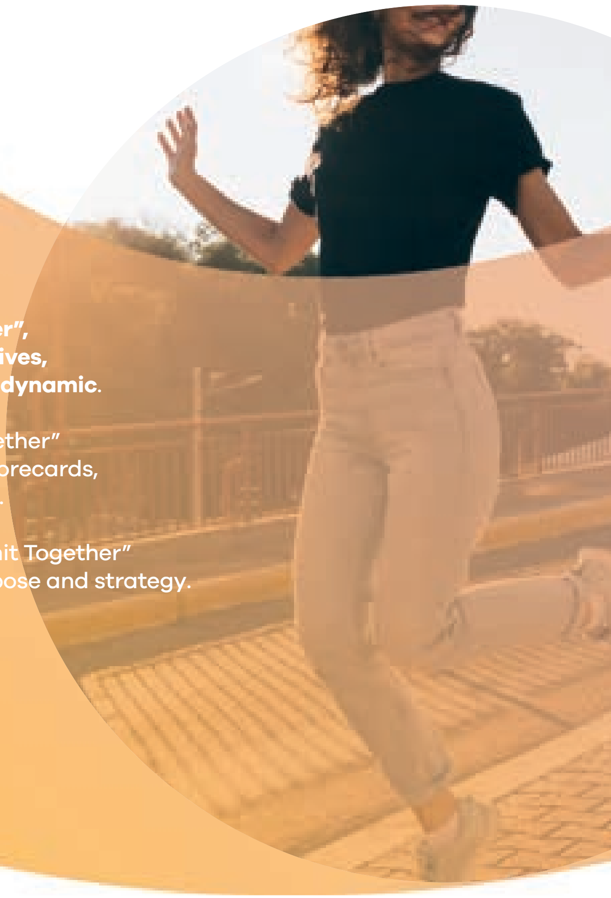
THE "COMMIT TOGETHER" PROGRAM

In 2017, our Group initiated a structured CSR approach with the "Commit Together" program, in order to share its commitments with all of its employees on various aspects of Corporate Social Responsability.

Our Group has already at the heart of its DNA – through its historical business – the desire to promote mobility for all in a responsible manner. **With "Commit Together", we are committed to a process of progress by setting objectives, making commitments and involving our employees in this dynamic**.

The objectives and commitments of the "Commit Together" program are integrated into the Group's country scorecards, with top managers involved in steering initiatives.

By focusing on 4 main priorities, the "Commit Together" program supports both the Group's purpose and strategy.



ESG RATINGS IN 2019

Our CSR achievements allowed us to improve our environmental, social and governance ratings (ESG) in 2019.

MSCI A → AA ("Leader" status)	**Vigeo Eiris** 29 → 46/100 (+17 points) (5th out of 22 companies in the sector)	**CDP** C → B (Progess to "Management" level, performance above the sector average)	**Ethics & Boards** 24th out of 119 companies (in the top 30 most feminized French companies)
Sustainalytics 19.7 → 17.4 (+2.3 points) (reverse grading scale of 40 to 0) (moved to the "Low Risk" category: ESG risk better controlled, 12th out of 320 companies in the sector)	**EcoVadis** 54 → 64/100 (+10 points) ("Silver" medal)	**ISS ESG** C → C (stable) (on a scoring scale of D- to A+)	**Gaïa Rating** 70 → 79/100 (+9 points) (34th out of the 230 companies Gaïa index)

GROUP'S PERFORMANCE IN 2019

Key Figures

Excluding Urban Mobility

€2,973m

Revenue

€310m

adjusted Corporate EBITDA
-11.4% *vs* 2018

Including Urban Mobility

€3,022m

Revenue
+3.2% *vs* 2018

€278m

adjusted corporate EBITDA
-15% *vs* 2018

€29.6m

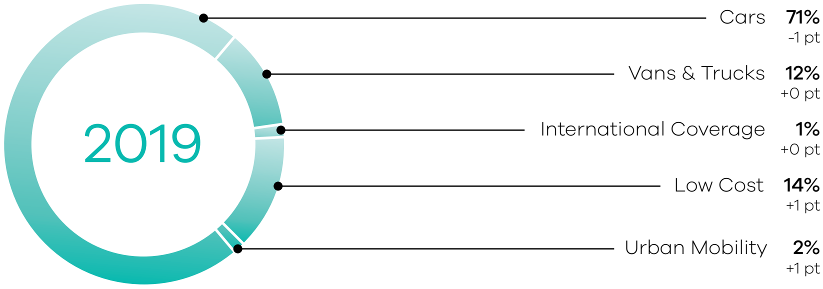
Full year Net Income post IFRS 16

€38m(1)

Full year Net Income pre IFRS 16
-48.4% *vs* 2018

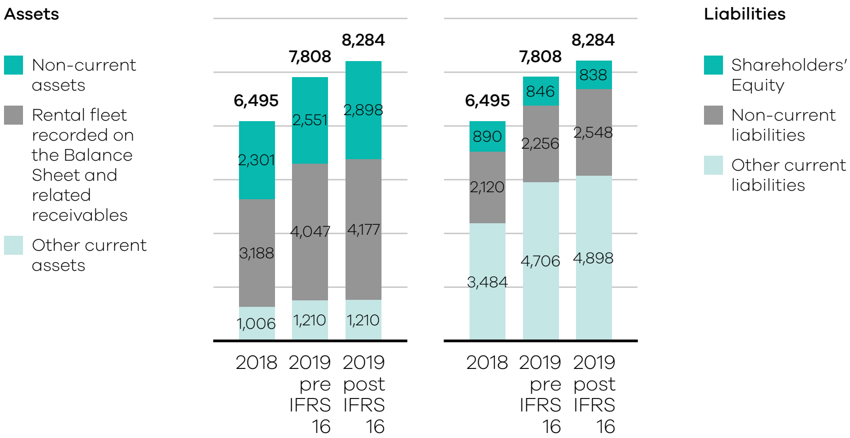
Breakdown of revenue

by Business Unit compared to 2018



Simplified Balance Sheet

(in millions of euros)



Corporate debt leverage

2.4x
in 2018

3.2x
2019 with Fox
3.0x
2019 without Fox

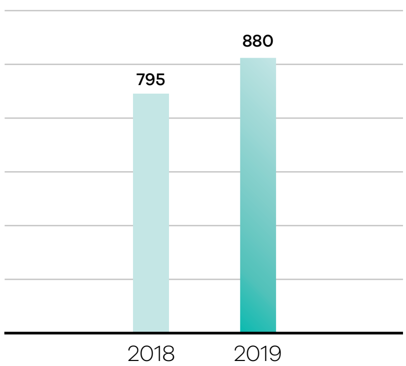
Long-term rating

Standard & Poor's
BB-(2)

Moody's
B1(3)

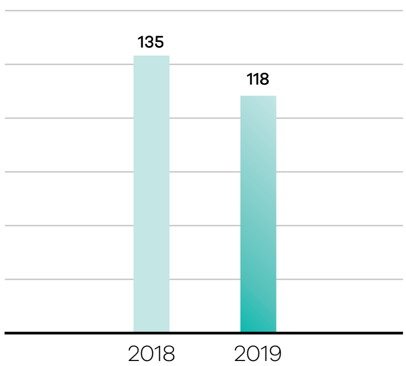
Net corporate debt

(in millions of euros)



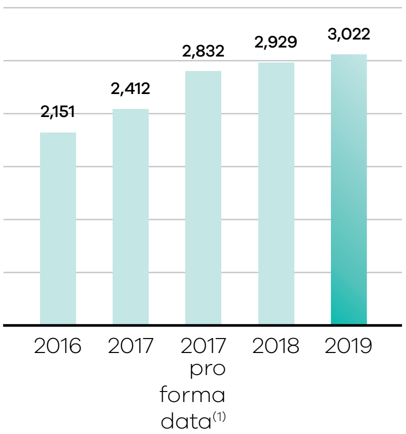
Corporate free cash flow

(in millions of euros)

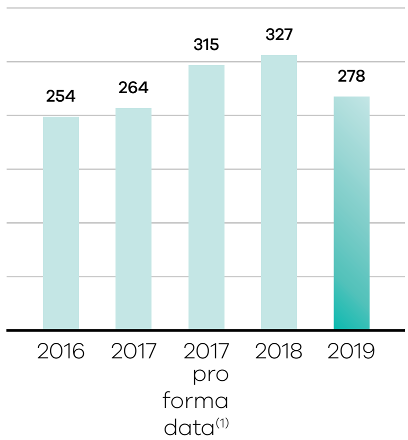


(1) Without Car2Go.
(2) Standard & Poor's : B- (post-closing event / COVID-19 context).
(3) Moody's : B2 (post-closing event / COVID-19 context).

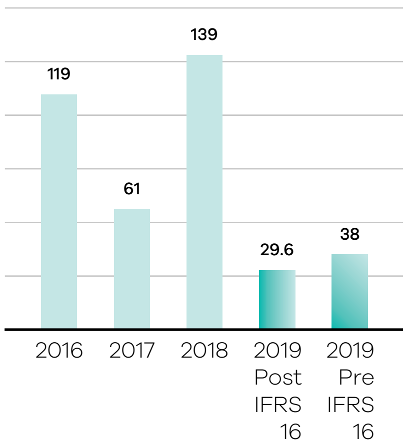
Revenue
(in millions of euros)



Adjusted corporate EBIDTA
(in millions of euros)

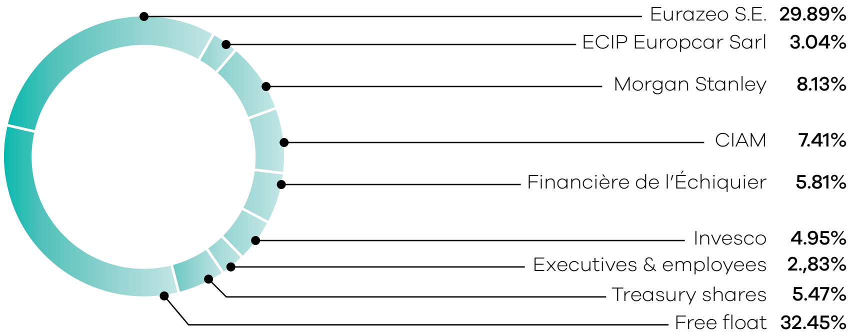


Net profit
(in millions of euros)



Shareholder return
Dividend per share

Capital distribution
As of december 31, 2019



(1) 2017 pro forma figures presented above correspond to the Group's consolidated financial statements as December 31, 2017 adjusted in such a way that the Buchbinder, Goldcar and Denmark Groups of companies are retroactively included in the Group's financial statements as of January 1, 2017.

GROUP MANAGEMENT BOARD [1]

Caroline Parot
Chairwoman of the Management Board

Fabrizio Ruggiero
Deputy CEO, Head of Business Units

Olivier Baldassari
Chief Countries and Operations Officer

Albéric Chopelin
Chief Commercial and Customer Officer

GROUP EXECUTIVE COMMITTEE [1]

Damien Basselier
Group Chief Product and Technology Officer

Marcus Bernhardt
Managing Director, International Coverage BU

José Blanco
Managing Director, Low Cost BU

Aurélia Cheval
Group Chief Strategy Officer

Xavier Corouge
Managing Director, Urban Mobility BU

Jose Maria Gonzalez
Managing Director, Cars BU

Denis Langlois
Group Human Resources Director

Yvonne Leuschner
Managing Director, Vans & Trucks BU

Luc Péligry
Group Chief Finance Officer

Franck Rohard
Group Secretary General

(1) As of the date of this Universal Registration Document.

GOVERNANCE AND MANAGEMENT

SUPERVISORY BOARD [1]

Jean-Paul Bailly [2]
Chairman of the Supervisory Board, President of the Strategic Committee

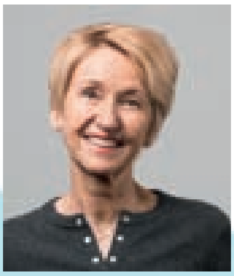
Pascal Bazin [2]
Vice Chairman of the Supervisory Board, President of the Compensation and Nomination Committee, member of the Audit Committee

Kristin Neumann [2]
President of the Audit Committee

Philippe Audouin
Member of the Audit Committee, member of the Strategic Committee

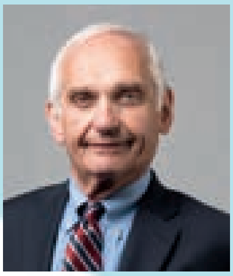
Virginie Fauvel [2]
Member of the Audit Committee, member of the Strategic Committee

Eric Schaefer
Member of the Compensation and Nominations Committee



Petra Friedmann [2]
Member of the Compensation and Nominations Committee, member of the Strategic Committee

Amandine Ayrem



Sanford Miller [2]

Patrick Sayer
Member of the Strategic Committee

Adèle Mofiro [3]
Member of the Compensation and Nominations Committee

(1) As of the date of this Universal Registration Document.
(2) Independent member.
(3) Employee representative.

1

OVERVIEW OF THE GROUP AND ITS ACTIVITIES

In this Universal Registration Document and unless otherwise indicated, the 2019 figures on Corporate Countries include:

(i) data about the Finnish and Norwegian group of companies, a former Group franchisee, acquired by Europcar on May 31, 2019, for the period from June 1 to December 31, 2019. It is specified that the balance sheet of this former franchisee was consolidated in the financial statements of Europcar Mobility Group as of December 31, 2019, but that the income statement of this former franchisee was consolidated in these financial statements for the aforementioned period only. The figures relating to franchisees therefore include data concerning the former Finnish and Norwegian franchisee for the period between January 1, 2019 to May 31, 2019; and

(ii) data about Fox, the Group of companies incorporated in the United States, acquired by Europcar on October 31, 2019, for the period spanning November 1 to December 31, 2019. It is specified that the balance sheet of Fox was consolidated in the financial statements of Europcar Mobility Group as of December 31, 2019, but that the income statement of Fox was consolidated in these financial statements for the aforementioned period only. In this Chapter, as in this Universal Registration Document, except where otherwise stipulated, the comparisons of figures between 2018 and 2019 are made on the basis of reported data, and therefore do not include restatements for acquisitions or disposals for the fiscal years in question.

1.1 KEY INDICATORS

1.1.1 Operating figures

The tables below present selected operational, financial and non-financial figures that are of importance to the Group and illustrate its performance at a global level.

The consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards ("IFRS") adopted by the European Union as at December 31, 2019.

The financial figures relating to the years ended December 31, 2017, 2018 and 2019 are derived from the consolidated financial statements audited by Mazars and PricewaterhouseCoopers and presented in Chapter 3 of this document.

The glossary presented in Section 7.8 of this document provides definitions for all non-GAAP indicators used by the Group to monitor its performance. Reconciliations with GAAP indicators are provided in Chapter 3 of this document, in Sections 3.1 "Analysis of the Group's results" and 3.2 "the Group's Liquidity and Capital Resources", or directly in the consolidated financial statements in Section 3.4. All non-GAAP indicators presented in the table above are marked with an asterisk (*).

	Years ended December 31		
	2019	2018	2017
Rental day volume *(in millions)*	91.0	87.7	69.3
Average rental fleet *(in thousands)*[(1)]	328.0	315.9	248.5
Fleet utilization rate *(in %)*	76.0%	76.1%	76.4%
Points of sale worldwide *(in units)*	3,556	3,596	3,680
of which stations operated directly or by agents	1,923	1,909	1,976
of which stations operated as franchises	1,633	1,687	1,704

(1) Excl. Urban Mobility.

1.1.2 Financial indicators

(in millions of euros, unless stated otherwise)	Years ended December 31 **2019**	2018	2017
Total revenue	3,022	2,929	2,412
Growth in revenue *(in %)*	3.2%	3.4%**	n/a
Organic growth in revenue *(in %)*	0.9%	n/a	3.4%
Vehicle rental income	2,839	2,748	2,255
Average monthly costs per fleet unit *(in euros)*	(229)	(226)	(243)
Adjusted corporate EBITDA	278	327	264
Adjusted corporate EBITDA margin (1) *(in %)*	9.2%	12.1%	11.8%
Net profit/(loss) for the period	38	139	61
Net corporate debt	880	795	827
Corporate debt leverage (2)	3.2x	2.4x	3.1x
Net fleet debt (3)	3,359	4,329	4,061
Total net debt (3)	4,239	5,125	4,888
Corporate free cash-flow	118	135	91
Conversion rate for corporate free cash flow *(in %)*	42%	41%	34%
Basic earnings per share before IFRS 16 *(in euros)*	0.232	0.87	0.42
Basic earnings per share after IFRS 16 *(in euros)*	0.181		
Diluted earnings per share before IFRS 16 *(in euros)*	0.229	0.86	0.42
Diluted earnings per share after IFRS 16 *(in euros)*	0.179		
Dividend per share for fiscal year *(in euros)*	n/a	0.26	0.15
Dividend payout ratio before IFRS 16 *(in %)*	n/a	30%	40%
Dividend payout ratio after IFRS 16* *(in %)*	n/a		

(1) Excluding the Urban Mobility Business Unit. For more information on the Group's Business Units, see section 1.6.1 "Business overview".
(2) Includes the acquisition of Fox.
(3) In 2019, includes vehicle fleet usage rights in accordance with IFRS 16. In 2018, this item included off-balance sheet commitments related to the leasing of the fleet.
** Pro forma 2018.

1.1.3 Non-financial indicators

	Years ended December 31 **2019**	2018	2017
Net Promoter Score – NPS *(in %)*	58.0%	56.4%	54.7%
Full Time Employee (FTE) (1)	10,434	8,999	7,441
Headcount at year-end (2)	9,802	9,211	8,011
Workforce Distribution			
Head Offices	31%	36%	38%
Stations	69%	64%	61%
Gender breakdown			
Men	55%	55%	54%
Women	45%	45%	46%
CO_2 emissions of the average fleet *(g CO_2/km)* (3)	125	124	116

(1) The number relates to the total full-time equivalent headcount for each month of the year divided by twelve.
(2) The number relates to the permanent and non-permanent physical headcount as at December 31, 2019. See Section 4.4.3.2 "Employer Brand" for more information.
(3) Methodological change made in 2018: weighted average of the Group fleet (excluding Fox, Finland and Norway).

1.2 HISTORY OF THE GROUP AND SIGNIFICANT EVENTS

1.2.1 History and evolution of the Group

The Group's origins date back to 1949, with the creation in Paris of the car rental company L'Abonnement Automobile by Mr. Raoul-Louis Mattei and the pooling in 1961 of the networks of L'Abonnement Automobile and of Système Europcars, another car rental company based in Paris. In 1965, the two groups officially merged to form the Compagnie Internationale Europcars. After its acquisition by the French car manufacturer Renault in 1970, the Compagnie Internationale Europcars was developed throughout Europe, in particular through new subsidiaries and the acquisition of existing business segments. The Compagnie Internationale Europcars' corporate name (the holding company acting as franchisor) was changed to Europcar International in 1981.

In 1988, Wagons-Lits acquired Europcar International from Renault and then sold 50% of the share capital of Europcar International to Volkswagen AG. At the same time, Europcar International merged with the German car rental network InterRent, whose sole shareholder was Volkswagen AG. Accor acquired Wagons-Lits in 1991, becoming a shareholder with a 50% stake in Europcar International, while Volkswagen held the remaining 50%. In December 1999, Volkswagen AG acquired Accor's stake, thus becoming the sole shareholder of Europcar International. Starting in 1999, the Group actively expanded beyond Europe, in particular through the development of franchises.

On May 31, 2006, Eurazeo acquired, through the Company (created for such purpose) the entirety of the share capital of Europcar International from Volkswagen AG.

In 2006, the Group continued its expansion through external growth and acquired Keddy N.V. (Belgium) and Ultramar Cars S.L. (Spain).

In 2007, the Group purchased the UK-based operations of National Car Rental and Alamo Rent A Car covering Europe, the Middle East and Africa (EMEA zone) from Vanguard Car Rental Holdings LLC ("Vanguard"). Vanguard was subsequently acquired by Enterprise Holdings, Inc. ("Enterprise"). From 2008 to 2013, the Group had a commercial alliance with Enterprise relating to the National® and Alamo® brands operated by Europcar. This alliance ended in August 2013, although the Group continued to operate the brands National® and Alamo® in EMEA until March 2015.

The same year, the Group acquired one of its Spanish franchisees, Betacar.

In 2008, the Group expanded its direct presence in Asia-Pacific through the acquisition of ECA Car Rental, its main franchisee in Asia-Pacific, operating in Australia and New Zealand.

In 2011, the Group started its development of new mobility solutions by establishing a strategic joint venture with Daimler AG to create Car2go Europe GmbH.

In 2013, the Group deployed InterRent®, its low-cost brand dedicated to leisure travelers (repositioned in the mid-tier segment following the acquisition of Goldcar in 2017) in Europe. InterRent® offers a competitive vehicle rental service without compromising on quality of service. As of December 31, 2014, InterRent® was deployed in 43 countries through a network of 36 franchises.

At the end of 2014, the Group acquired, through its French subsidiary Europcar France, all the shares of EuropHall, an important franchisee of Europcar France for the "East" region. The Group also acquired a 70.64% stake in Ubeeqo, a French start-up created in 2008 that offers car-sharing solutions. At the date of this Universal Registration Document, Ubeeqo is wholly owned by Europcar Lab SAS, a French subsidiary of the Group, and operates in France, Belgium, Germany, the United Kingdom, Spain (via BlueMove) and Italy (via GuidaMi).

On June 26, 2015, Europcar Mobility Group was listed on the regulated market of Euronext Paris.

In July 2015, the Group acquired, via its English subsidiary Europcar Lab UK, a majority stake of 60.8% in E-Car Club, the United Kingdom's first all-electric pay-per-use car club.

On December 18, 2015, Europcar Mobility Group joined the SBF 120 stock market index comprising the 120 top stocks in terms of liquidity and market capitalization, listed on Euronext Paris.

In 2016, the Group acquired its third-largest French franchisee, Locaroise, and its Irish franchisee, GoCar, the leading car sharing company in Ireland. This last acquisition brought the number of Corporate Countries to 10.

In 2017, the Group acquired several companies, of which Buchbinder, a major player in the German and Austrian markets, Goldcar, the largest European low-cost company and its Danish franchisee. These acquisitions brought the number of Corporate Countries from 10 to 18. The Group also acquired a 24% stake in Ubeeqo which as a result is now 100% owned by the Group and made a 20% minority investment in SnappCar, a peer-to-peer car sharing start-up.

In April 2018, the Europcar Mobility Group announced the closing of the sale to Daimler Mobility Services of 25% of the share capital and voting rights held by Europcar International S.A.S.U. in Car2go Europe GmbH, after having received the approval of the competent antitrust authorities with respect to such sale. The Group also acquired Poleis Consulting and their brand Scooty, a free floating electric scooter-sharing start-up, through Ubeeqo. Scooty is a Belgium based start-up, created in 2016, which offers its customers free floating electric scooters in Brussels and Antwerp. This acquisition reflects the Group's ambition to become a global mobility solutions leader by offering new mobility services that fit customer needs and expectations.

1

1.2.2 Significant events during fiscal year 2019

1.2.2.1 Acquisitions and investments

Acquisition of the Finnish and Norwegian franchisees

On February 25, 2019, Europcar Mobility Group announced the acquisition of its franchisees in Finland and Norway. This single transaction constitutes the Group's fourth and fifth acquisition of franchisees and will allow it to extend its network of subsidiaries from 18 to 20 countries, thus strengthening its presence in Europe. Both companies have a strong presence in their respective national markets (No. 1 in Finland and No. 3 in Norway) with a customer base covering both the leisure and business markets. The combined revenue of the two businesses was around €56 million in 2018.

Acquisition of the American company, Fox Rent A Car

In November 2019, Europcar Mobility Group finalized the acquisition of Fox Rent A Car, accelerating its growth momentum through a direct presence in the United States, the largest market in the world.

Fox Rent A Car operates a network of 21 directly owned stations and more than 100 stations under franchise. The Company operates in 15 of the 25 largest American airports, with an attractive "best value for money" positioning and a fleet of about 18,000 vehicles.

This strategic acquisition will be the last in the Group's transformational M&A program started three years ago.

Europcar Mobility Group strengthens its international presence by opening new franchises in 10 countries

Europcar Mobility Group opened new franchises in 10 countries and territories between January and July 2019: 6 franchises under the Europcar® brand, 1 franchise under the InterRent® brand, and 3 franchises under the Global® brand. This strategy emphasises the Group's ambition to increase both its international presence and its customer base.

1.2.2.2 Strategic partnerships

Renewal of the partnership with EasyJet

In December 2019, Europcar Mobility Group continued its close relationship with EasyJet and set up a new partnership with the airline. This new media and marketing partnership will enable EasyJet passengers to benefit from exclusive Europcar vehicle rental rates and special offers under a two-year agreement with an option to renew for an additional year.

1.2.2.3 Strengthening of the Management Board

Appointment of Mr. Olivier Baldassari as member of the Management Board and Chief Countries and Operations officer

On January 8, 2019, Europcar Mobility Group announced the appointment by the Company's Supervisory Board, at the recommendation of the Compensation and Nominations Committee, of Mr. Olivier Baldassari as a member of the Management Board and Chief Countries and Operations officer. Olivier Baldassari joined the Group in January 2019. He was previously Vice-President Operations and Logistics for the USA at Rexel, where he strongly contributed to the transformation of the activity. He has a recognized experience in Operations and in Technology as enablers of transformation, implemented across different business environment and cultures. Previously, he held different senior management positions at Rexel in France and Southern Europe, Delphi Corporation and at Smurfit Kappa.

In his new role and responsibilities, Chief Countries and Operations officer, Olivier Baldassari will focus on continuing the Group's transformation into a "Mobility services company", by tackling the following key priorities: aligning country networks and resources on the Group's multibrand and multibusiness strategy, optimizing performances through operational excellence and creating value in terms of customer service, with a multichannel approach supported by the acceleration of digitization.

Appointment of Albéric Chopelin as a member of the Management Board and Director of Sales and Customer Accounts

On March 18, 2019, Europcar Mobility Group announced the appointment by the Company's Supervisory Board, upon the recommendation of the Compensation and Nominations Committee, of Albéric Chopelin as a member of the Management Board and Director of Sales and Customer Accounts. Albéric Chopelin joined the Group in April 2019. Since 2018, he has reported to the President of the PSA Group as Chief Global Sales and Marketing officer for the Peugeot, Citroën, DS Automobiles, Opel, Vauxhall and Free2Move brands. Within the PSA Group, he has been Senior Vice-President since 2011 and has held successive positions: Managing Director of Peugeot Slovenia (2009-2011), Managing Director of Peugeot Netherlands (2011), CEO of PSA Benelux (2011-2013), CEO Peugeot of Peugeot Central & Northern Europe (2013-2014) and CEO of PSA Germany, (2014-2018). Before joining PSA, Albéric Chopelin worked for the BMW Group as Regional Director (2007-2009).

1.2.2.4 Financing and stock buybacks

Senior Bond Issue for €450 million

On April 24, 2019, Europcar Mobility Group successfully launched a Senior Bond issuance in the amount of €450 million, maturing in 2026, by Europcar Mobility Drive D.A.C., a dedicated special purpose vehicle (the "Bonds") bearing interest at 4.0% This new issuance replaced the €600 million bond issuance maturing in 2022, bearing interest at the rate of 5.75%, which was redeemed in June 2019. This transaction allows for annual savings of more than €10 million on the Company's financing.

Senior Revolving Credit Facility

On May 29, 2019, Europcar Mobility Group signed an amendment to the Senior Revolving Credit Facility increasing the maximum amount in principal from €500 million to €650 million. This amendment also includes two options to extend maturity by one year each. The Company then exercised the first extension option extending the maturity of the facility to June 9, 2023.

NEU CP Program

On February 11, 2019, Europcar Mobility Group launched a "Negotiable EUropean Commercial Paper" (NEU CP) or Negotiable Debt Security program for a maximum outstanding amount of €450 million. This program, coupled with the outstanding amount of the Senior Revolving Credit Facility, may not exceed €650 million, pursuant to the documentation of the facility. This transaction allowed, under the market conditions upon which the issues were carried out, for significant savings on the Group's financing.

Europcar Mobility Group signed a new €50 million credit facility

On December 27, 2019, Europcar Mobility Group entered into a new senior unsecured credit facility of €50 million with final maturity of one year. Europcar can use the financing from the facility for the general needs of the Company. The conditions of this facility were indexed to the market value of the Group's credit derivative (CDS, Credit Default Swap) on the date of the transaction.

Signature of a European factoring agreement without recourse for a maximum of €75 million

On December 23, 2019, the Group signed a European factoring agreement without recourse for a maximum of €75 million with Crédit Agricole Leasing & Factoring.

Implementation of a program to buy back its own shares on or after October 25, 2019

Europcar Mobility Group set up, as of October 2019, a stock buyback program up to a maximum of €10 million, that is a maximum of 3.3 million shares of Europcar Mobility Group, representing approximately 2% of the share capital, on the date of the announcement. This program is valid for a period of six months, depending on market conditions, at a price that may not exceed €6 per share.

1.2.2.5 Significant events

Eurazeo is reviewing strategic options regarding its stake in Europcar Mobility Group

On November 14, 2019, Eurazeo announced that it was conducting a strategic review of its options concerning its stake in Europcar Mobility Group. Currently, Eurazeo holds 29.9% of the share capital of Europcar Mobility Group. Following this strategic review, Eurazeo may consider selling all or part of its stake in Europcar Mobility Group.

Standard & Poor's rating of Europcar Mobility Group

The Standard & Poor's ("S&P") ratings agency upgraded its long-term credit rating of Europcar Mobility Group from B+ to BB- in April 2019. In October 2019, however, it revised its outlook from stable to negative due to weaker than expected operational performance as reflected in the third-quarter results of 2019.

1.2.3 Significant subsequent events

Moody's rating

On January 21, 2020, Moody's confirmed that it was maintaining the B1 rating and revising its outlook from stable to negative. On March 31, Moody's downgraded its rating to B2, placing this rating under review for further downgrade. On April 3, 2020, Standard & Poor's (S&P) downgraded Europcar Mobility Group's rating from BB- to B-, stating that this rating was under review with negative implications.

Notification by the Bavarian DPA of a security breach on a Buchbinder server

Buchbinder was notified on January 20, 2020 by the Bavarian DPA of a security breach on one of the backup servers hosted and maintained by its service provider. The breach was identified and closed immediately. A new security test campaign was immediately launched and customers fully informed in the press on January 24, 2020.

Coronavirus pandemic

Since the start of March 2020, the international spread of the Covid-19 pandemic has forced a large number of governments to put in place exceptional travel restrictions or lockdowns and to limit or prohibit public meetings or gatherings.

The Group has taken the appropriate measures with regard to both its employees and its customers and for its business, with a dedicated multidisciplinary team working under the supervision of the Management Board.

The scale of the pandemic and its continuing spread throughout the world mean that we are unable to assess the definitive financial impacts for the Group, but these are causing highly significant damage to its environment and its businesses.

On March 23, 2020, the Company announced that in response to an exceptional situation and to the resulting loss of income it had launched an unprecedented cost reduction and cash protection plan in order to get through the next few months of crisis as well as possible and be able to resume its activities as soon as the local economies regained momentum. In operational terms and across the Group's entire scope of consolidation, in a context in which certain cost-saving measures are difficult to implement, this plan includes: 1) Reduced fleet volume and, at the same time, deferred purchases until further notice; 2) Contract renegotiations; 3) State-funded partial unemployment benefit and rapid staff adjustments wherever possible; 4) Full CAPEX freeze; 5) Cessation of all operational expenses considered non-essential; and in terms of liquidity: 1) Requests to access the support funds announced by the governments and the European Union, including the financing of social measures and the cancellation or deferral of taxes; 2) Ongoing discussions with fund lenders to raise additional credit lines, some of which are guaranteed by the

French State through Banque Publique d'Investissement ("BPI"); 3) the Company's Supervisory Board will also propose the cancellation of the dividend payout for 2019 at the Shareholders' Meeting of June 12, 2020.

On April 2, 2020, the Company also announced the postponement of the Shareholders' Meeting initially scheduled for April 28, 2020 to a date yet to be determined, but which will be before June 30, 2020. The Company announced on May 5, 2020 that its Shareholders' Meeting would be held on June 12, 2020.

As part of the cost reduction and cash protection plan announced on March 23, the Company announced on April 15, 2020 that it had finalized its first credit facilities on April 13, 2020 for an amount of €36 million, 70% guaranteed by the Spanish State. These credit facilities, with a 3-year maturity for its two operating subsidiaries in Spain – under the Europcar and Goldcar banners – are intended to consolidate the Group's liquidity to enable it to meet its vehicle financing needs and its corporate needs related to the impacts of the Covid-19 pandemic. As part of the processes supervised by the Ministry of the Economy and Finance, the Company is continuing to work with some of its lending banks to obtain additional financing guaranteed by the French State through BPI. The Company holds the same type of contracts through its foreign subsidiaries in countries where similar schemes have been implemented.

Continuing its efforts to cut costs and protect its liquidity as announced on March 23, 2020, the Company announced the implementation of a financing plan on May 3, 2020. In addition to securing its liquidity, the plan should help the Company to cope with the crisis caused by the Covid-19 pandemic, and to address the expected financing requirements of its fleet and the needs of the Group to ensure a rapid recovery of its activities.

1) A €220-million loan, arranged on May 2, 2020 with the Group's leading French and international banks, backed by a French government guarantee for 90% of the loan through Bpifrance ("**Prêt Garanti par l'État**", "**PGE**"). The PGE consists of two tranches, the first for an amount of €130 million for Europcar International S.A.S.U. and the second for an amount of €90 million for Europcar Participations S.A.S.
   a) This financing line will be for an initial period of one year, with an option of extending it for five more years at the initiative of Europcar (until May 2026), subject to the usual mandatory repayment conditions. Deferred amortization for one year, followed by a subsequent phased amortization plan.
   b) Conditions: no payment of dividends in 2020 and 2021 and net corporate gearing below 3x subsequently.
2) New financing lines for the Group's Spanish subsidiaries (Europcar Spain and Goldcar Spain), for a total amount of €67.25 million, signed in the last two weeks with Bankia and BBVA, backed by a Spanish government guarantee for 70% of the amount. These new financing lines are valid for three years and will be used to finance the fleet and handle routine requirements.
3) An additional RCF tranche of €20 million (which raises this financing line from €650 to €670 million), set up by French banks; the latter obtained a guarantee from Eurazeo to underwrite their risk.

The arrangement of all these new financing lines, to supplement existing financing lines, factored in the current situation of the Covid-19 pandemic to allow the Group to cope with the significant impacts on its business, caused by the lockdown measures and travel restrictions in all the countries where the Group operates, and to also allow a gradual recovery of the Group's operations after the Covid-19 crisis.

The Group is still in talks with other countries in which it operates, for the purpose of obtaining government-guaranteed loans if possible, to strengthen its liquidity in the overall framework of its financing arrangements. Ms. Caroline Parot stated that these new financing lines would allow the Group to secure its activities and to gradually resume its operations when local economies re-open and begin to recover. In the next months, considering the uncertainties with which it will be confronted, the Group will strenuously continue its efforts to streamline its cost base and be flexible and agile enough to adapt the structure of its capital and its debt to the changes in our business environment.

1.3 MOBILITY SERVICES MARKET

As described in the Preliminary comment on page 1 relating to the coronavirus pandemic, the changes in the mobility market will be reviewed during 2020, even though the Group views long-term trends as remaining unchanged.

1.3.1 The mobility revolution

Mobility has always been a key need for mankind, and is now a key pillar of the global economy:

- it enables the connectivity of people, goods and ideas, as it is a critical enabler of short- and long-term development;
- it significantly improves quality of daily life and for the lives of travelers alike;
- it is a catalyst of innovation, as mobility leverages on all critical fields of future R&D (AI, big data, energy, etc.);
- it is a growth engine for entrepreneurs, investors and regional economies. Indeed, 16% of the entire World's GDP was generated by mobility in 2017.

Mobility is a highly attractive industry. It is indeed the biggest sector of the global economy and, according to Oliver Wyman, is expected to grow significantly to potentially represent up to 19% of total global GDP by 2030. Having now entered into its third industrial revolution after that of the steam machine and oil revolution, which fostered new means of transportation, mobility in the digital age is having a far-reaching disruptive effect:

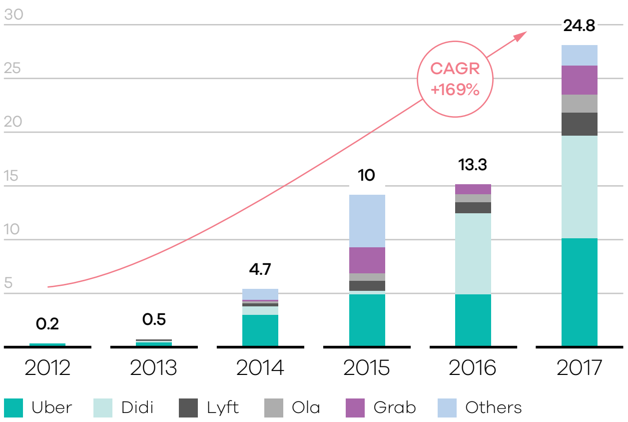
- access to mobility and intermodal transport has become much simpler with smartphones and the advent of Mobility-as-a-Service. This digitization has helped mobility value chains to converge around customer use cases, breaking the silos between traditional forms of transport;
- vehicle ownership is declining and being replaced by car sharing, which is now possible with the emergence of digital solutions that offer a high-quality customer experience and the possibility of pay-per-use;
- additional personalized and location-based services will be able to emerge due to enhanced connectivity;
- vehicle autonomy will drastically change the in-car customer experience and should dramatically reduce fatal traffic accidents.

Besides this, three other mega-trends are reshaping mobility:

- the increasing role of local authorities in redefining the urban mobility plan (development of micro-mobility, ICE [1] vehicle reduction);
- the rise of the middle class in developing countries who are willing to travel;
- governments are increasingly requiring vehicles to be electric, which will dramatically reduce urban pollution, change vehicle design and change customer behavior towards "refueling";

These long-term changes can be illustrated using the following examples:

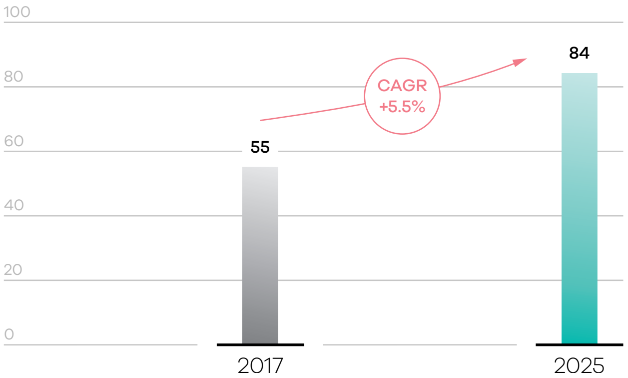
Investment in ride-hailing start-ups *(2011-2017, in €bn)*



Integrated experience

End-to-end, personalized, friction-less experience for customers across all physical and digital touchpoints through all mobility solutions.

Car leasing market size and CAGR *(2017-2025, World, in €bn)*

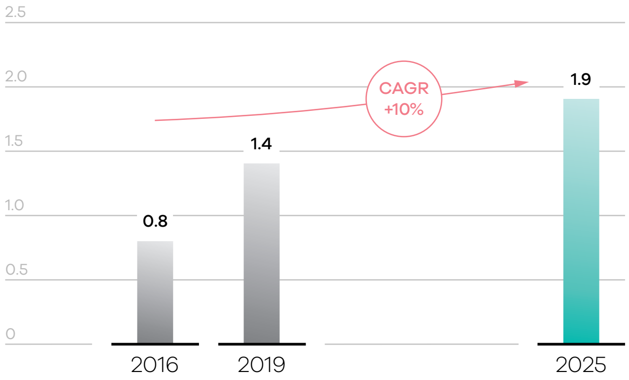


Data control & monetization

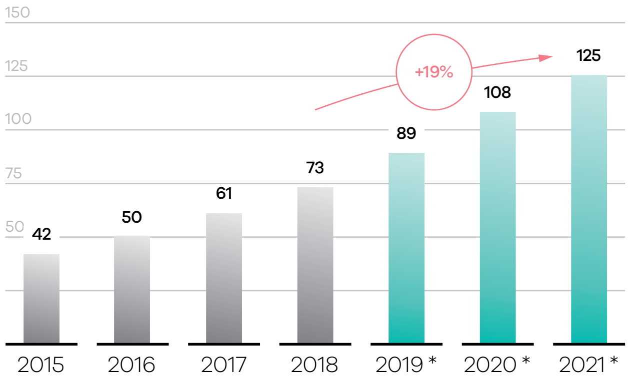
Growing attention on customers and fleet data collection, treatment and monetization; associated with threats on cyber-security.

(1) Internal Combustion Engine.

Smart city global market *(2016-2025, in €tn)*



Size of the global connected car market *(2015-2021, in €bn)*



* Projected

Rise of new middle classes

Change in customer segmentation with the emergence of new middle-classes in developing countries.

Vehicle autonomy

Increase in share of autonomous vehicles, expected first within mass and last-mile transportation fleet (e.g. shuttle).

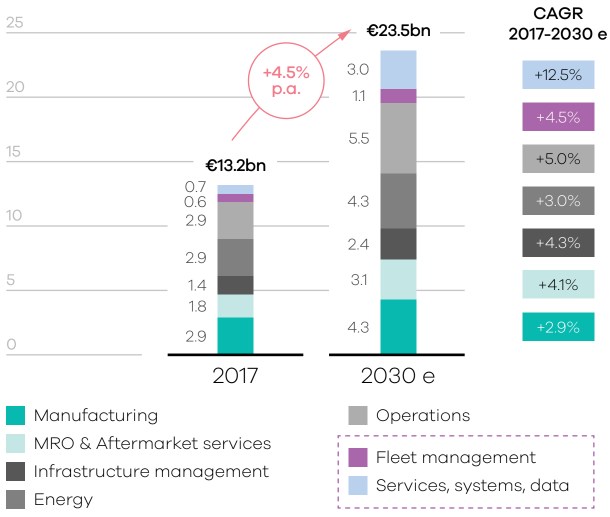
Electrification

Increase in electric vehicles to be excepted in all mobility solutions, significantly impacting energy distribution.

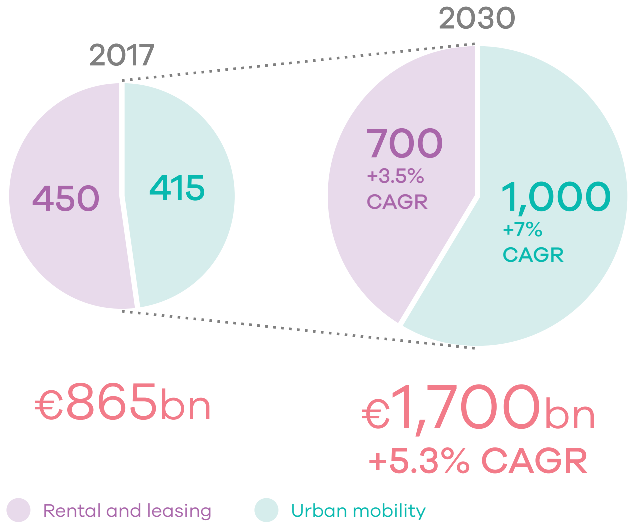
Globally, the mobility market is expected to grow by 4.5% per annum, from €13,200 billion in 2017 to €23,500 billion in 2030. When looking at Europcar Mobility Group's target markets (passenger car and LCV/HCV [1] rental and leasing, car-sharing and ride-hailing), annual growth rate should reach 8.3% during the same period, growing from €900 billion in 2017 to €1,700 billion in 2030, which is shown below.

Number of people in global middle class

(2018-2030 p, in €m)



Evolution of the addressable wheeled market (rental, leasing and urban mobility)

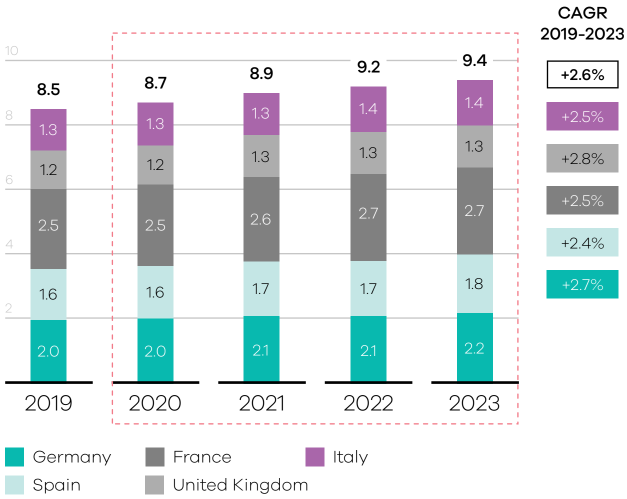


CAGR: Compound Annual Growth Rate.
Sources: Oliver Wyman, Wheeled Market.

In Europe, the passenger car short- and mid-term rental market is expected to grow by 2.6% per year, from €8.5 billion in 2019, to reach €9.4 billion in five main markets in the region in 2023 (Germany, Spain, France, the UK and Italy). The LCV short- and mid-term rental market is expected to grow at a CAGR of 7.9% on average per year, from €3.1 billion in 2019 to reach €4.2 billion in 2023 on a like for like basis. By comparison, the European urban mobility market (car-sharing, ride-hailing and ride-sharing) is expected to grow by 16.8%, from €7.5 billion in 2018, to reach €16.4 billion by 2023, as shown below.

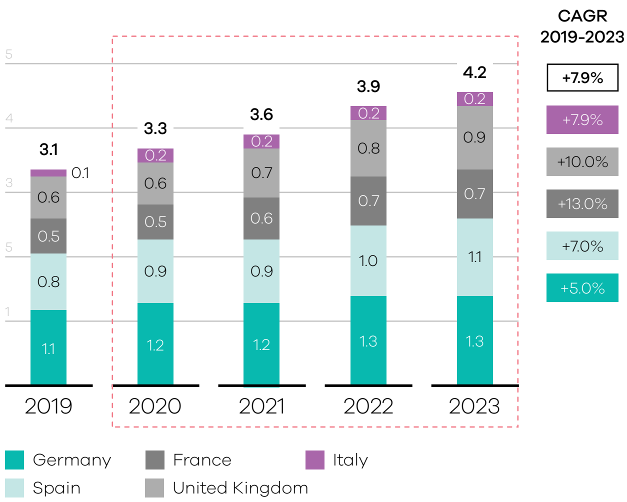
(1) Internal Combustion Engine.

Short term car rental market *(2019-2023, in €bn)*

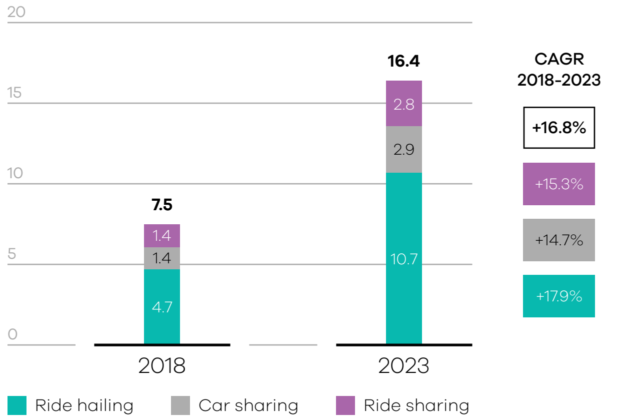


Short and Mid term V&T rental market

(2019-2023, in €m)

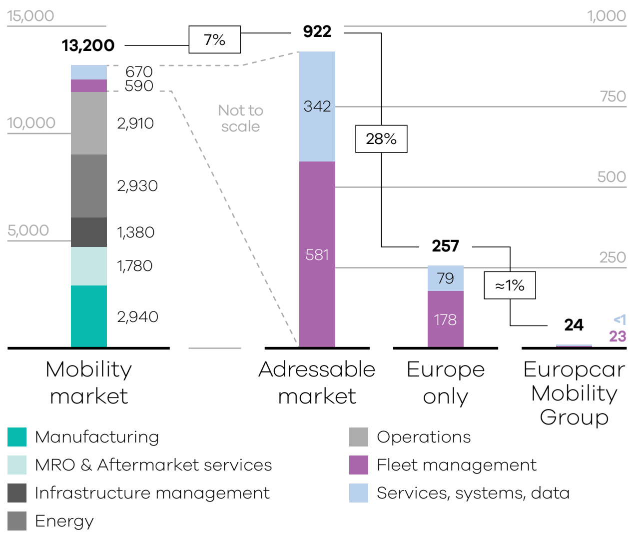


European Urban Mobility market *(2018-2023, in €bn)*



In summary, Europcar Mobility Group operates in a €13,200 billion global mobility market (in 2017), with a target market of €922 billion globally, of which €257 billion at the European level, in comparison with Group revenues of €2.4 billion in 2017.

Global mobility market size and addressable market for EMobG *(2017, in €bn)*



In car rental, Europcar Mobility Group is positioning itself as the undisputed leader in the rental car market in Europe, with a 27% market share in 2018[(1)], and a major European player in closed-loop car-sharing (cars are parked in dedicated spots and must be returned to such spots at the end of the rental). In addition, Europcar Mobility Group has recently entered the United States market through the acquisition of Fox Rent-a-Car, the number six player in the biggest car rental market in the World.

(1) France, Germany, Spain, UK, Italy, Portugal, Ireland, Belgium, Denmark, Norway and Finland (2019 data not yet available).

1.3.2 Growth drivers and general market trends

Macroeconomic conditions and demand for mobility

The mobility market is expected to grow substantially in the forthcoming years, in respect of both goods and people.

People mobility demand will grow both:

- on long-distance trips, hence positively impacting car rental:
  - on the leisure segment due to population growth and middle-class growth in developing countries. This is linked to changes in Gross Domestic Product (GDP) and inflows of international travelers, which in turn is tied to levels of air and rail traffic,
  - on the corporate segment due to globalization and business travel expense growth (related to GDP growth), which is also linked to general business climate.
- on short-distance trips:
  - in general, the population is shifting from rural to urban areas, hence positively impacting the mobility demand.
  - moreover, in urban areas, multi-modal transport will shift towards less car ownership and more shared cars, which will have a positive impact on the car-sharing market and will complement the use of mass public transport with micro-mobility solutions.
  - lastly, the booming ride-hailing market opened a new market for car rental companies to conquer known as PHV (Private Hire Vehicle) car rental.

The **mobility of goods** will also grow both in terms of long-distance due to globalization, GDP growth and population growth, and on the last-mile delivery for the same reasons. The development of e-commerce further underscores this trend and positively impacts the LCV rental market.

On top of the points listed above, both individuals and corporations are increasingly looking for more flexible solutions to use a vehicle, both in terms of duration and model type, which will help encourage the short- and mid-term rental of vehicles at the expense of the long-term leasing market, with the development of a mobility or a vehicle subscription offering.

Urban mobility solutions

The vehicle rental industry has been undergoing structural changes tied to technological advances and the resulting changes in customer preferences and behavior. Technological improvements have enabled providers of mobility solutions to develop innovative new products and services to respond to the constantly evolving needs of their customers. Consumer demand has migrated towards more flexible and economic mobility solutions with a lesser impact on the environment, in particular to solve the problem of increased traffic and to adapt to government policies limiting the use of personal vehicles in urban areas.

Accordingly, the way people use vehicles has been changing over the last few years: the acquisition and ownership of vehicles are increasingly irrelevant to actual usage. This change has accompanied the supply and expansion of various services traditionally offered by companies that concentrate all their activities on the mobility market, such as vehicle rental companies and companies offering car-sharing and ride-sharing services, as well as platforms. More generally, this market also includes operators whose activities or services are related and complementary (such as insurance companies, vehicle leasing companies, car park operators, car manufacturers, tour operators, travel agencies, companies offering micro-mobility, telematics solutions or data storage that develop new mobile applications).

New mobility solutions are being developed in particular in the following areas:

- car-sharing, which was initially based on business-to-consumer, or B2C, models, as well as peer-to-peer, or P2P, models, but now also includes business-to-business, or B2B, models, and may be based on either a one-way or round-trip itinerary;
- intermodal solutions providing a digital platform that brings together different means of transportation (public transport, rental vehicles, taxis and other mobility solutions) in order to offer the best possible itinerary to customers for any given trip;
- transportation services offering the possibility of traveling in a vehicle driven by a professional or private driver, as well as ride-sharing solutions offering subscribers the possibility of riding in vehicles driven by a professional driver or a private individual.

Accordingly, the new players in the mobility solutions market and vehicle rental companies are all benefiting from the decreasing number of vehicle owners in European capitals and large cities. They are currently targeting different user needs, notably in terms of rental duration, with vehicle rental companies mostly providing longer-term rentals than other companies. Nevertheless, the Group believes that vehicle rental companies are well positioned to seize growth opportunities in the urban mobility solutions market. Indeed, such companies can capitalize on key competitive advantages such as brand recognition, customer diversity, fleet size and fleet-management expertise, network density and industry experience.

The development of the low-cost market segment

As has been the case in other industries, the European vehicle rental market has seen the development of a low-cost segment in recent years to meet increased demand for more affordable services. The low-cost market segment may be defined as all low-price rental offerings including a reduced number of services and providing a more limited selection of categories, brands and models. The low-cost segment in car rental is very dynamic, which is related to the growing number of low-cost airlines carriers, both in volume and market share (the low-cost segment global market share increased from 23% in 2012 to 31% in 2018 [(1)]). Growth is set to continue at a similar pace in the future, particularly for leisure destinations in France, Spain, Italy, the United Kingdom, Portugal, Greece and Turkey.

In order to reach the growing number of low-cost customers and thus cover the full customer spectrum, Europcar Mobility Group acquired Goldcar in 2017, the leading European player in the low-cost segment of car rental. Since then, the Group has both reinforced the position of Goldcar, notably with roll outs in Australia and New-Zealand and through its franchise network, and repositioned its InterRent brand in the mid-tier segment to fully cover all customer segments. At the same time, in order to reap the full benefit of Goldcar's agile organizational structure (simplified processes, robust, flexible and adaptable information systems), the InterRent® brand has been transferred to Goldcar's managerial perimeter.

1

1.4 STRATEGY

As described in the Preliminary comment on page 1 relating to the coronavirus pandemic, the Group's strategy remains unchanged in view of the Covid-19 health crisis but its implementation and acceleration will be reviewed.

1.4.1 Our five "fundamentals" : the Group's vision, mission, ambition, purpose, and values

As the longstanding leader in vehicle rental in Europe through its Europcar brand, the Group has progressively transformed itself over the last few years. The Group has repositioned itself by moving away from a single-brand, single-business model focused on automobiles toward a multi-brand, multi-business model focused on customers. The name change from Europcar Groupe to Europcar Mobility Group in 2018 reflects this transformation. Europcar Mobility Group is now one of the major players in the mobility sector.

Europcar Mobility Group's mission is to be customers' preferred "mobility Service Company" by offering attractive alternatives to vehicle ownership with a wide range of mobility services: rental of cars and light commercial vehicles, car-sharing, scooter-sharing, driver services, or rental of cars between private individuals. Customer satisfaction is the core component of the mission for the Group and for its employees. This commitment encourages the constant development of new services.

Europcar Mobility Group offers its various mobility solutions and services internationally through a vast network covering more than 140 countries (including 21 directly owned subsidiaries in Europe, two in Australia and New Zealand, one group in the US, franchisees, and partners).

Its established position as the leader in the European vehicle rental market and its innovation capacity provide a competitive advantage in a constantly changing environment and support the Group's vision. Europcar Mobility Group is convinced it is destined to assume a key role in the mobility ecosystem with its 9.5 million customers and a powerful platform that is both digital and physical to address a wide variety of mobility needs. This vision is shared with all Group employees.

The Group has defined its purpose and mission: we want to be the preferred "mobility service company" of our customers, by offering them attractive alternative solutions to vehicle ownership, in a sustainable and responsible way, by:

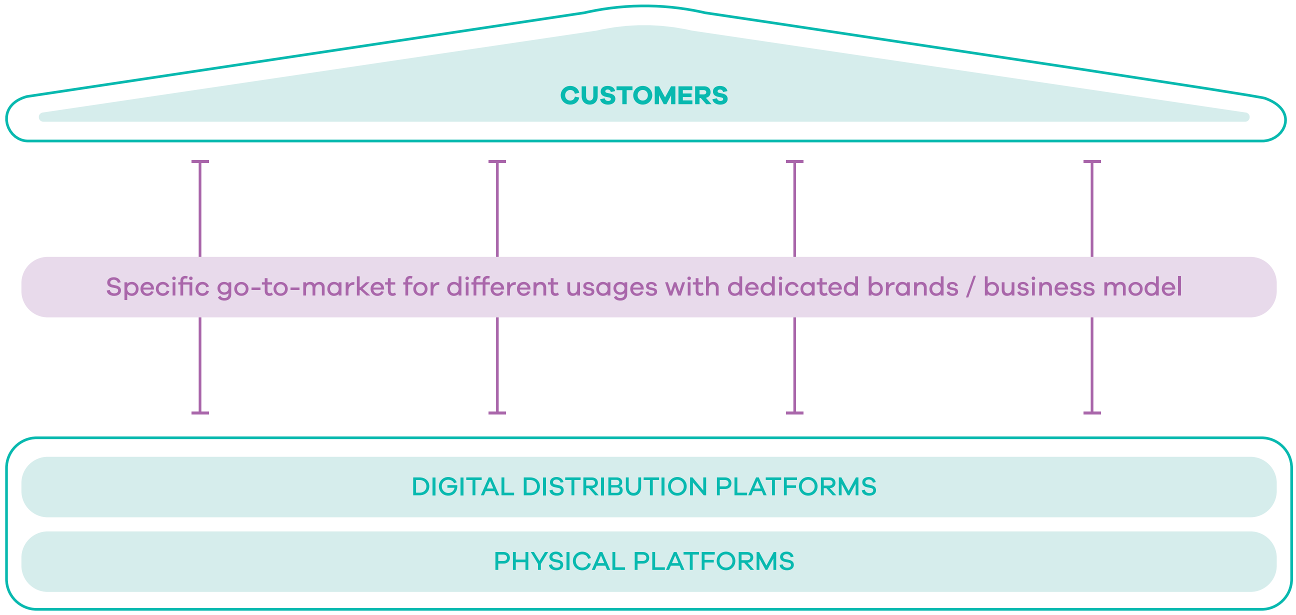
- delivering an experience of open mobility for all. Accessibility is key: mobility should be inclusive;
- being part of the solution towards a low-carbon world.

By accomplishing its mission and living up to its purpose in its operations and decisions, the Group will achieve its ambition of creating value for all its stakeholders.

(1) Source: Statista.

1.4.2 The Group's strategy

To accomplish its mission and achieve its ambition, the Group has defined a clear strategy dedicated to serving the mobility needs of its current and future customers by leveraging its two key assets: its physical platform and its digital platform.



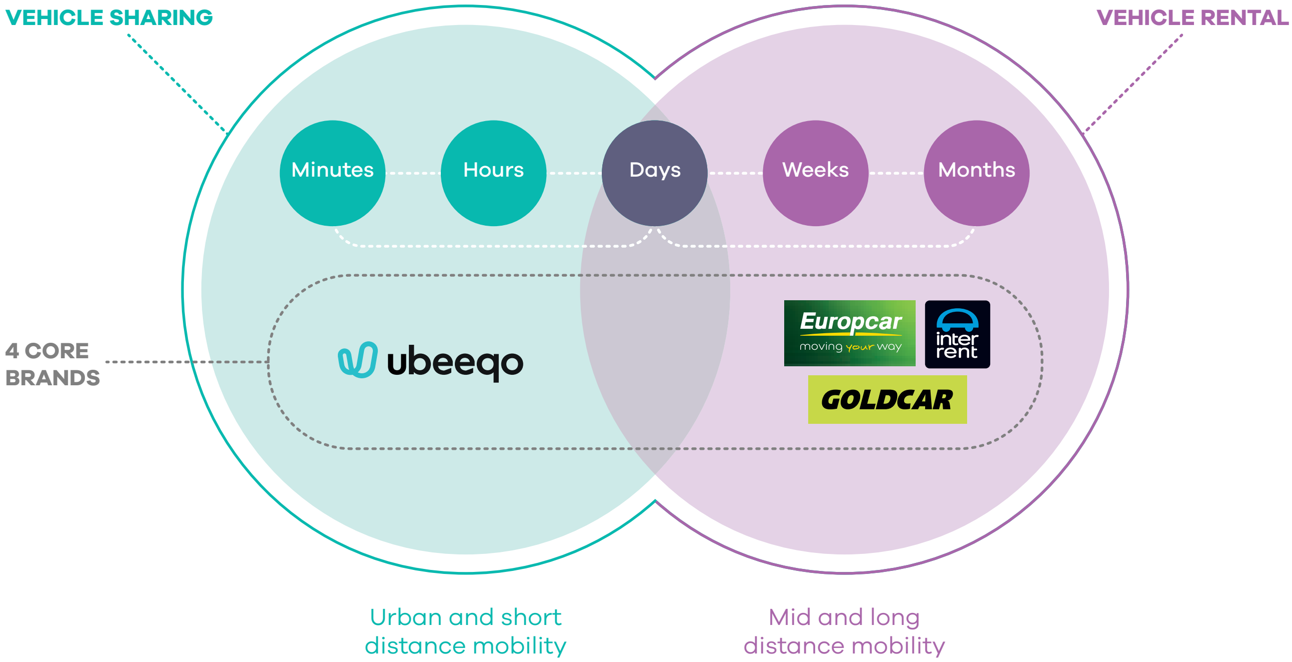
This strategy is based on the conclusion that the current segmentation between different mobility uses (vehicle rentals, vehicle-sharing, vehicles for hire and car sharing) will tend to fade over the long term. The digital ecosystem of connected and autonomous vehicles will lead to a convergence between offerings and service providers for these various uses.

Europcar Mobility Group's strategy aims to create value over the long term by relying on:

- an organized and consistent marketing strategy aimed at responding to constantly evolving and growing mobility needs in a general context of decreasing personal vehicle ownership. The Group has significantly bolstered its customer approach to improve its services: The launch of several strategic programs with ambitious objectives such as Click&Go and Connected Vehicles, also reflects the desire to provide an enhanced customer experience through the various available technologies. (To learn more about these programs, please refer to Section 1.5.5 "Group digital transformation");
- the optimization of its physical and digital platforms:
  - the Group currently has digital platforms (over 53 digital contact points), whose e-commerce performance it is constantly improving,
  - leveraging its network and its fleet – the Group's network, organized through its stations and back-office operations, is a significant asset that enables it to operate efficiently on a large scale. The Group believes that its granular network allows it to act comprehensively and effectively in a new mobility ecosystem. Accordingly, the Group plans to continue to optimize its network in a dynamic manner and leverage its know-how to develop its mobility service platform. The same is true for fleet for which the utilization rate must be optimized and Group's acquired expertise in logistics and maintenance must be enhanced to serve growing and diverse mobility needs for individuals and for goods;
- the Group also strives to strengthen synergies between its physical and digital platforms to serve its customers better and enhance value creation through optimized asset management. The "connected vehicles" strategic program perfectly illustrates the Group's ambitions in this regard;
- the implementation of a streamlined, simplified, and agile structure – Europcar Mobility Group aims for operational excellence, particularly through transformation programs, to ensure sustainable, profitable growth. The Group intends to continue to improve its efficiency at all levels of the organization.

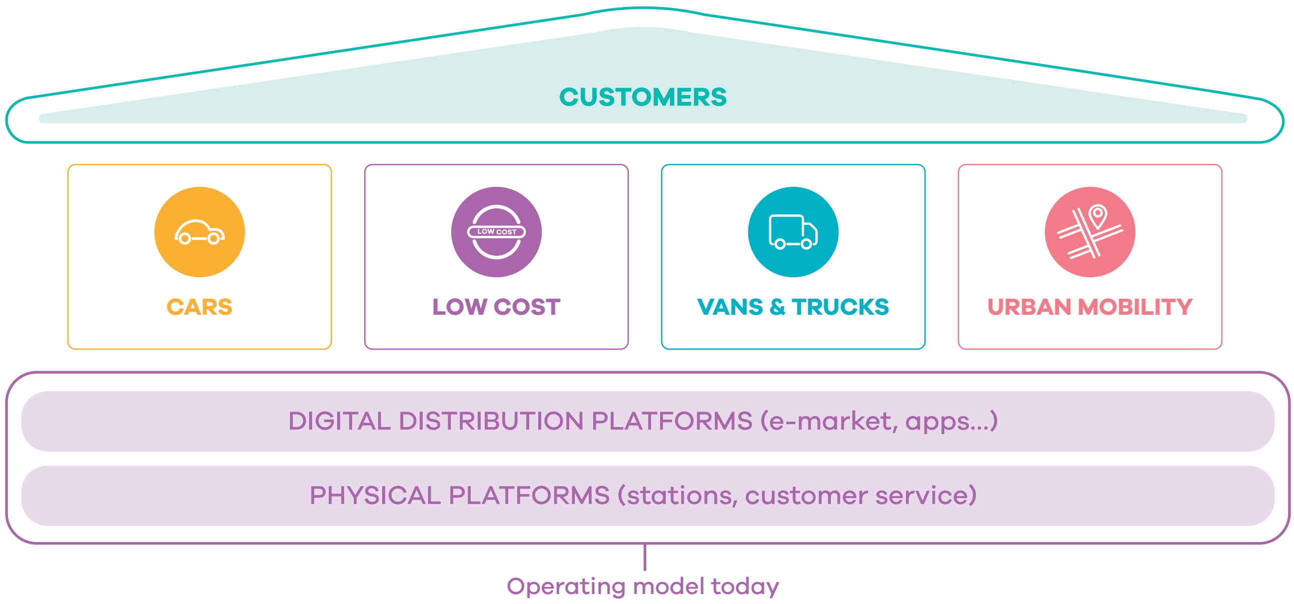
1.4.2.1 A unique business model, aiming at a unified "One Group" vision

Thanks to its unique positioning, the Group is able to offer solutions to various mobility usages, whatever the duration of the vehicle rental.



Established in 2017, the Business Units structure enables each of our Business Units to set up a business model with its own dedicated strategic development objectives:

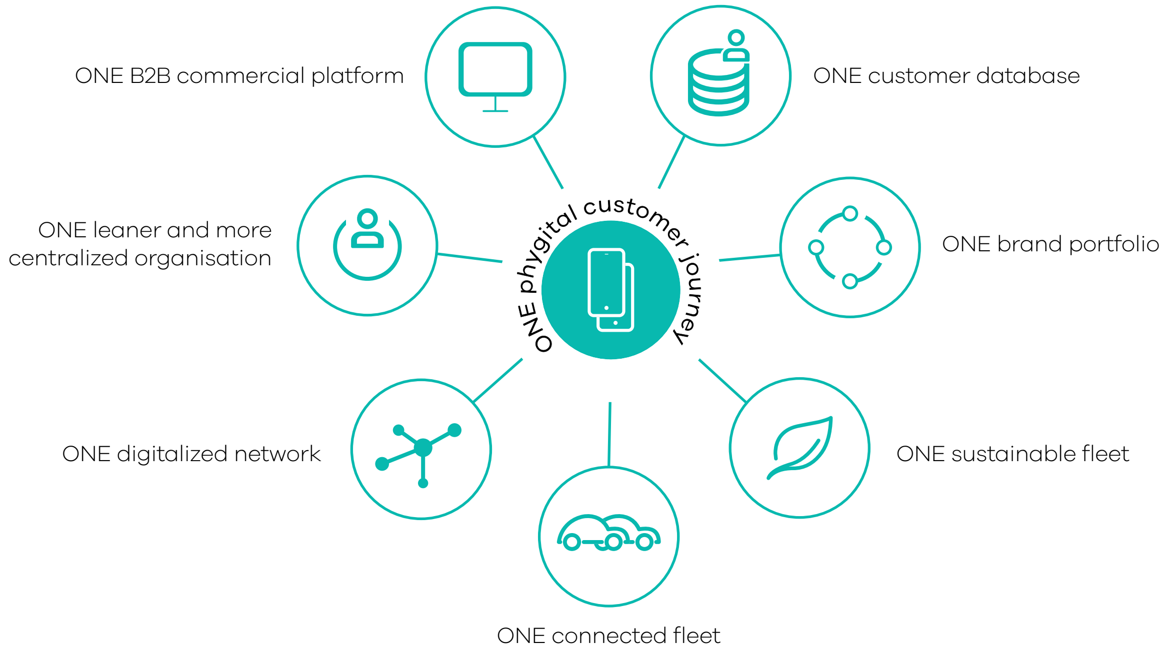
- Cars Business Unit;
  - reinforce Europcar Mobility Group's leading position in Europe,
  - continue to develop an enhanced and digitalized customer experience;
- Vans & Trucks Business Unit;
  - become the leader in all the European markets in which the Group operates, growing above market average,
  - leverage existing network across countries with scale and size to accelerate value creation;
- Low-cost Business Unit;
  - use our leadership position in the low-cost car rental market to continue serving our customers and attract a larger base of customers looking for "a good deal," promoted through Goldcar's brand slogan: "cheaper lives richer",
  - grow footprint on both historical countries and on main tourist destinations;
  - leverage digital solutions to reduce cost and improve customer journey;
- Urban Mobility Business Unit;
  - become Europcar Mobility Group's engine for growing revenue and the number of customers in the coming decade by bringing to corporates and the urban population the most sustainable and profitable urban mobility solutions to make daily life in cities easier;
  - represent the opportunity to converge car-sharing and car rental customer base.



In addition to each Business Unit's roadmap, the Group is constantly optimizing its business model and the services provided to customers by accelerating its digital transformation. It aims to achieve a significant scale up of its entire suite of mobility services through organic growth and through targeted acquisitions aimed at gaining momentum in the "go-to-market" and geographic coverage for the benefit of its customers and partnerships.

In order to reach such ambitions, the Group has chosen to focus its efforts on two key projects:

- augment core business in its three vertical mobility domains (car rental, LCV rental and car-sharing);
- amplify business services to offer corporates a comprehensive mobility offer; and
- activate eight levers.



Cross offer initiatives fuelling our Business Units

1 Enhanced Car rental

Develop and improve customer experience with digital.

2 Enhanced Vans & Trucks rental

Become the first European one-stop-shop for Vans & Trucks rental, offering a flexible, digital and hassle-free rental experience for all customers, especially for SMEs.

3 Scaled-up Urban Mobility

Scale-up to conquer major cities with an hybrid model, targeting both B2C and B2B customers.

4 Mid-term Rental

Implement Mid-Term leasing solution, focusing primarily on B2B customers.

5 Services to Corporates

Offer corporate customers a comprehensive platform of mobility services, enabling companies to improve employees' quality of life.

As a consequence, and in order to increase its agility and execution efficiency, and optimize its cost base, the Group is aiming at unifying and standardizing its main assets, to reach a "One Group" vision.

In order to reach this vision, the Group has launched a series of strategic initiatives revolving around either digitalization of its assets or restructuration and standardization of its target operating model.

1.4.2.2 Financial targets

Given the situation and the decisions regarding the closures and isolation taken by several European countries in March 2020, the Group considers that it is premature to estimate the impact of the current crisis on its short and medium-term ambitions (SHIFT 2023). These impacts will indeed depend on the duration of the pandemic and the speed with which local economies recover.

1.4.2.3 The Group's Corporate Social Responsibility commitment

In 2017, our Group initiated a structured CSR approach with the "Commit Together!" program, in order to share its commitments with all of its employees on various aspects of corporate social and environmental responsibility.

Our Group has already at the heart of its DNA – through its historical business – the desire to promote mobility for all in a responsible manner. With "Commit Together!" we are committed to a process of progress by setting objectives, making commitments and involving our employees in this dynamic.

The objectives and commitments of the "Commit Together!" program are integrated into the Group's country scorecards, with top managers strongly engaged in pilot initiatives.

By focusing on four main priorities, the "Commit Together!" program supports both the Group's purpose and its 2023 strategic roadmap:

Make mobility accessible

Mobility is a lever for social inclusion and, in this sense, we consider access to mobility as a key factor. This is why Europcar Mobility Group offers a range of varied offers, aimed at covering all customer needs, whatever their budget. The Group's efforts in terms of access to mobility also focus on people with reduced mobility, people in precarious employment and young people of disadvantaged backgrounds.

2019 Highlights

- In France, our Group has signed a two-year partnership with Wheeliz, a start-up company which, via its platform, offers rental between individuals of adapted vehicles to promote mobility for people with reduced mobility.
- A profound study on reduced mobility: The Innovation team explored the state of the mobility market for people with reduced mobility through a profound study on the subject. In line with the Group's vision of delivering mobility for all, the team analyzed reduced mobility data, monitored competition and explored existing solutions in order to assess the market opportunity and provide recommendations. Answering reduced mobility needs means developing products and solutions that answer both barriers to transport and barriers to mobility in the physical world as well as online. The Innovation team worked closely with the CSR team, country networks, partners, NGOs and potential customers to get the full picture on the subject. The profound study provided support to the Group in deciding on related projects and potential partnerships.

Act for the environment

By the very nature of its activities, our Group wants to be part of the solution towards a low carbon world, by offering an alternative to owning an individual vehicle and thus contributing to reducing the number of cars on the roads and in our cities. Furthermore, our fleet will embark more and more electric, hybrid and NGV motorizations in the coming years. Finally, acting for the environment means acting with our customers: we therefore seek to involve them in our approach through eco-driving awareness programs.

2019 Highlights

- The Group has given concrete expression to its climate ambition through its commitment to the "Science-Based Targets" initiative, which will enable it to define its greenhouse gas (GHG) emissions reduction target and its carbon trajectory.
- In Spain, the Group deployed a pilot project to raise customer awareness on eco-driving using its connected fleet in Mallorca.

Be a responsible employer

We live an exciting age of mobility, where new mobility usages and increasing mobility needs create job opportunities and require new skills. In this context, Europcar Mobility Group's success is intimately bound to employees' commitment, diversity and development: three pillars on which we focus our efforts.

2019 Highlights

- Launch of the Group's women network: WoMob (Women in Mobility), focusing on gender balance, women's empowerment, women's contribution to social progress and business development.
- Success of the 2nd employee shareholding plan, with now 2.77% of the Group's capital held by its employees (as at 12/31/2019)

Share our business ethics

We are proud of our values and committed to enforce our business ethics on a day-to-day basis. In that perspective, we want to build confidence with our customers by offering them transparent services and by improving their satisfaction all through the customer journey, thanks to dedicated programs (e.g. NPS 110).

We also want to involve all our stakeholders in the objectives and commitments we have gathered in our Code of Ethics. This ambition is reflected in the implementation of policies and the regular deployment of awareness-raising campaigns.

2019 Highlights

- Customer satisfaction: Net Promoter Score of 58 for the Europcar brand, and extension of the NPS 110 program to the other core brands of the Group.

1.5 COMPETITIVE ADVANTAGE AND KEY ENABLERS TO DELIVER GROUP'S STRATEGY

As described in the Preliminary comment on page 1 relating to the coronavirus pandemic, fthe changes in the mobility market will be reviewed during 2020, even though the Group views the basis for long-term trends as remaining unchanged.

1.5.1 An established leader position offering a solid infrastructure for mobility solutions

The mobility industry is undergoing profound change, driven by new technologies, in a context of increasingly powerful platforms. Changes in usage, particularly in urban mobility, provide a growth opportunity for a company such as Europcar Mobility Group. It has long been positioned throughout a large portion of the mobility value chain, due to key skills such as the ability to manage a large-scale fleet and the know-how to directly serve its customers in a growing number of mobility uses. The Group's expertise is the ability to offer the right vehicle, in good condition, at the right time, at the right price, to the right person. Achieving this depends on three key skills:

- the ability to obtain a significant number of different vehicles at the best price;
- the ability to maintain its vehicles in good condition across a granular network;
- the ability to optimize its offering by means of precise demand forecasting.

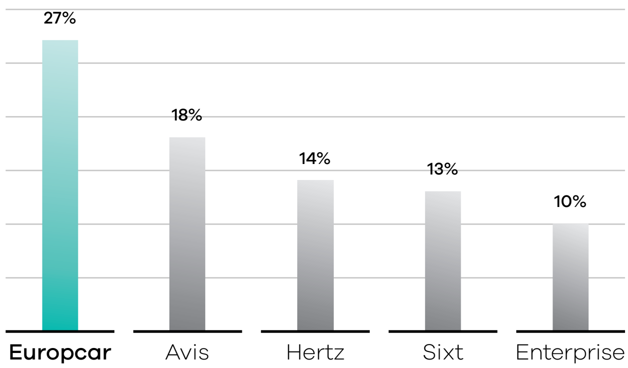
In terms of mobility services for customers, the Group operates various digital platforms and is continually improving them to serve customers better throughout their experience. This customer experience is differentiated depending on the brand and is becoming increasingly digital and seamless.

1.5.1.1 A dense global network

With 70 years of experience, Europcar Mobility Group has a global presence and is one of the main players in the mobility industry. The Group has a wide international network serving a broad range of customer mobility needs based on sophisticated revenue and fleet capacity management. The Group leverages these strengths to deploy innovative solutions and services to better serve changing customer mobility usages.

In 2019, the Group was the leading European vehicle rental organization. In 2019, the Group's competitive positioning within the franchisee countries in Europe was also at a high level.

EUROPCAR MOBILITY GROUP MARKET SHARES IN WESTERN EUROPE (1) IN 2018



Source: 2018 Euromonitor Statistics.

The Group believes that its leadership position in Europe is sustainable, particularly due to the extent of its activities, the quality of its network, its brand strategy (the main ones being Europcar®, Goldcar®, InterRent® and Ubeeqo®) and its ability to manage complex operational systems and financing schemes with flexibility and efficiency. The European vehicle rental market is one of the most difficult to penetrate due to the multiplicity and diversity of countries with different rules and regulations and with regional differences in consumer habits. The Group believes that its extensive local presence and professional expertise allow it to respond effectively to the complex and highly diverse nature of its markets.

Furthermore, the Group's strong roots in various European countries in which it directly operates 1,774 stations located near the homes and workplaces of its customers (18% are located in airports) enable it to monitor and anticipate changes in demand and market trends, and thus better manage its fleet volume. The Group has consolidated its network by purchasing the operations of national franchisee in Ireland, Denmark, Finland and Norway in 2016, 2017 and 2019 respectively.

(1) Except Austria, Slovakia, Hungary and Turkey.

In 2019 the Group acquired Fox Rent-a-Car, a US-based company with revenue of approximately $250 million in 2019 operating a network of 21 corporate stations in the US and with affiliates in over 100 overseas locations. It is present in 15 of the country's top 25 airports, with an attractive value for money price positioning, an impressive track record of organic growth (delivering an average 6.4% revenue growth per annum between 2013 and 2018) and a fleet of approximately 18,000 vehicles. This acquisition enables the Group to have a direct presence in the US, the biggest car rental market worldwide, and to reap the full benefits of the US-Europe traffic flows in both directions.

The Group had a presence in more than 140 countries throughout the world at end-2019, with numerous partnerships and commercial representation agreements. Franchises (1,633 stations) enable the Group to extend its network and are a source of high-value growth with lower risk, while its partnerships and alliances provide additional market penetration in growing markets.

The Group's strategy includes the development of partnerships with sales representatives, airlines and large travel intermediaries. This enhanced strategic presence should lead to better capture of international traffic flows. In addition to its franchisees, the Group relies on partners, particularly in Canada, China, India and Japan, as well as on commercial and general sales agency arrangements.

On January 1, 2020, Europcar Mobility Group terminated its partnership with the US-based car rental company Advantage Opco ("Advantage").

As of January 1, 2020, the Group is partnering with general sales agencies in 45 countries around the world with a strong focus on source markets in China, Brazil, USA, Canada and Argentina. General sales agents allow the Group to access local travel intermediaries, hence reach a very large audience around the world. All general sales agents are appointed to act as non-exclusive representatives authorized to promote and offer the Group's rental services.

Europcar Mobility Group's infrastructure is made up of 53 digital access points via the internet providing access to all its services. This is a key type of infrastructure for consumers who are now accustomed to entirely mobile experiences with geolocation and immediate service. These digital platforms, coupled with predictive algorithms, enable the Group to customize its relationship with each of its customers and accordingly, better address their different needs. In this context, the Group's network becomes a full-fledged service.

The Group's network, particularly in its Corporate Countries, is supported by its GreenWay® system for the Europcar brand and by Sigger for its Goldcar and InterRent brands, forming the basis of a powerful and effective reservation platform and revenue capacity and fleet management tool. The Group's network is also commercially supported by the use of forecasting models that help to determine pricing while also optimizing the distribution, planning, allocation and yield of the fleet according to demand.

1.5.1.2 Optimized and flexible fleet

Fleet management is the core of Europcar Mobility Group's business and is one of its main areas of expertise. The Group has a flexible and low-risk fleet, together with strong skills in logistics, maintenance, and optimization of fleet utilization rate.

The Group's efficient fleet management benefits from central coordination and local initiatives, leveraging strong, longstanding partnerships with vehicle manufacturers. In addition, the Group takes a pragmatic approach to fleet management, optimizing the mix between regional and local contracts, maintaining short- and long-term flexibility in volume commitments and vehicle holding periods to meet fluctuations in demand, especially seasonal. This efficiency also relies on repurchase commitments the Group has obtained from manufacturers that give it the flexibility to react to changes in demand.

The Group's diversified network is supported by a flexible fleet that has one of the highest proportions of buy-back agreements in the industry, a diverse fleet supply and flexible fleet financing. 86% of Europcar's 2019 fleet vehicles delivered were covered by such buy-back agreements. This high level of buy-back agreements limits risk by providing greater fleet cost visibility. It also increases fleet flexibility, with commitments allowing for a five to nine month buy-back period which allow the Group to manage the seasonality inherent to the business. The sourcing of the Group's fleet is also diversified in terms of automobile manufacturers and brands (see Section 1.6.6 "the Group's fleet" for more details). The Group can periodically and opportunistically enter into multiyear framework contracts (generally for a two-year term) with certain manufacturers to ensure fleet availability. In order to optimize its financing conditions, the Group uses diversified asset-backed financing represented by the fleet, including securitization, capital market financing (bond financing), revolving credit facilities and operating leases.

Europcar Mobility Group's expertise in fleet management is one of its major assets in the face of the ongoing changes in the mobility market:

- the emergence of new technologies, with the development of connected vehicles, predictive distribution and maintenance algorithms, creates opportunities to optimize the fleet and increase the value added in its management;
- the changeover to electric is going to significantly impact maintenance operations, energy management for the vehicle fleet and customer experience;
- given the trend toward multi-modal means of transport and the increased convergence between car-sharing and vehicle rental, parking and maintenance areas will have to be transformed into hubs in a multi-modal ecosystem.

Finally, in order to improve its fleet utilization, and to comply with the "One Group" vision, Europcar Mobility Group initiated a new project "One Fleet" to unify the fleet sourcing, in-fleeting and de-fleeting processes, and create a single pool of vehicles to serve all its brands.

1.5.2 A diversified customer base and recognized brands

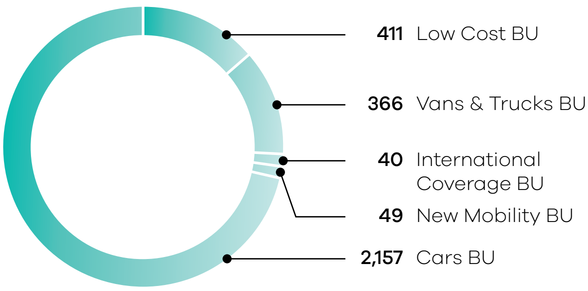
1.5.2.1 Diversified customer base

The Group has a broad customer base, well-balanced between business and leisure customers (which generated 39% and 61%, respectively, of vehicle rental income in 2019). This mix helps the Group manage seasonality over the year (with leisure peaks during the summer and business demand more stable throughout the year) and during the week (weekend for leisure and weekdays for business). The Group's contractual relationships with numerous large corporate customers, as well as with small and medium-sized businesses across multiple industries contribute to the stability of the Group's business vehicle rental income, in particular during periods outside of tourist seasons and during business days. The Group's leisure activity involves rentals that are longer in duration and generate more revenue per transaction day than business rentals. The Group also addresses the leisure segment through its portfolio of partnerships with recognized leaders in the travel industry (European airlines, tour operators and hotel groups, such as EasyJet, Expedia, Rentcars.com, TUI, Accor and Aeroflot).

Please refer to Section 1.6.3 "Europcar Mobility Group's customers" for further information.

Moreover, the trend towards a more balanced revenue, the product of a mix between its different Business Units, gives the Group a more stable business model. The Group's total revenue by Business Unit for the year ending December 31, 2019 was as follows:

DISTRIBUTION OF THE GROUP'S REVENUE BY BUSINESS UNIT IN 2019 *(in millions of euros)*



Source: Company.

The Group's revenue base is also optimized between airports, where customer traffic is relatively high, and non-airport locations. In 2019, the Group's network included 355 directly- and agent-operated stations in airports. These stations represented 18% of corporate and agent-operated stations in 2019, and yet generated 50% of the Group's vehicle rental income in the same year.

1.5.2.2 Well-known brands

Our four international mobility brands

Europcar moving your way · GOLDCAR · inter rent · ubeeqo

Our local brands

Scooty · brunel · BUCHBINDER Rent-a-Car · FOX RENT A CAR

In these different segments, the Group enjoys brand name recognition:

- Europcar® as the Group premium/mainstream brand;
- InterRent® as the brand dedicated to the mid-tier segment and geared to leisure customers; with a full digitized experience;
- Goldcar® as the only low-cost brand;
- Buchbinder, a recognized brand in Germany and Austria, will continue to serve its local markets as a sales leader for the Group;
- Fox Rent-a-Car, the Group's newly acquired, leisure-focused American car rental player, low-cost oriented which will complete Goldcar's coverage;
- Ubeeqo our main brand dedicated to urban mobility services (offering B2B and B2C closed-loop car-sharing) but we have also other brands such as Brunel (driver services) and BetterCar (car rental dedicated to private vehicle hire drivers);

With these different brands and this business portfolio, Europcar Mobility Group has the capacity to meet the mobility needs of its customers throughout all segments with appropriate solutions.

Please refer to Section 1.6.2 "Europcar Mobility Group's brands and respective services offers" for further information.

1.5.3 An efficient business model

1.5.3.1 Skilled management and employees

The success of the Group's strategy and growth is based on the experience, solidity and credibility of its senior management team. The Group's senior management team has been renewed over the last five years and is now composed of executives with complementary backgrounds from top-tier companies in various industries. Caroline Parot was appointed Chairwoman of the Management Board in November 2016. She leads a team of executives with extensive business and operating expertise, as well as in-depth understanding of the vehicle rental services industry and new mobility solutions.

This team underwent changes in 2018 to achieve alignment with the Group's strategy and its long-term goals. In 2019, a Commercial and Customer Experience Director role has been added to the Management Board with the appointment of Albéric Chopelin, after a successful career at PSA. Similarly, Olivier Baldassari has been appointed Group Chief Countries and Operations officer, and is also part of the Management Board. In early 2019, the Group announced the strengthening of the management of its Low Cost and Urban Mobility Business Units.

The Group's top management is supported by an organizational structure consisting of highly complementary international and local teams that are competent and highly committed, and have the knowledge, passion and vision to lead the Group in the execution of its strategy.

1.5.3.2 Operational excellence and organization by Business Units

Operational excellence remains a core concern for the Group in maintaining profitable organic growth and is particularly based on:

- strengthening the commercial strategy by segment;
- cost management including, in particular, the optimization of the network and the expansion of its logic of shared services centers.

Concurrently with this operational efficiency strategy, the Group pays particular attention to the enhancement and improvement of the customer experience through the digital transformation of its model. In this context, the Group aims in the medium term to offer to customers the choice to interact with any of its brands in the way he/she likes at each step of its journey, either through digital or physical channels. Better knowledge of customers, differentiation of products and services through innovation, transparent and fluid customer relations, simplified procedures and custom help are the key words of this focus on transformation. The Group also plans to bolster its sales strategy via its direct channels to offer services adapted to new customer expectations of mobility and to create a stronger connection between its trademarks and its customers, thus increasing customer loyalty.

Since January 2017, as part of its new organization, the set of initiatives designed to strengthen the Group's operational excellence are now monitored at the Business Unit and/or support function level and at the level of the Corporate Countries.

The Group is now organized around four Business Units (Cars, Vans & Trucks, Low Cost, and Urban Mobility). This structure aims to address customer needs better and improve Europcar Mobility Group's positioning to seize external growth opportunities and improve operational efficiency in a rapidly changing environment with a view to achieving the 2020 ambition announced by the Group in October 2016.

1.5.3.3 Innovation capacity

The Group leverages on its extensive experience and know-how in the vehicle rental industry to focus on innovation, enhance the customer experience and seize opportunities arising from new mobility trends. In 2020, the Group revised the mission of its "Lab" to turn it into a corporate innovation team, becoming a part of the Strategy Office, aiming to help the organization accelerate the Group transformation through innovative solutions.

1.5.3.3.1 Ambition and philosophy

As already mentioned in section 1.3.1, the external mobility environment is drastically changing with the advent of new technologies, fast changing competitive environment, change of customer needs (from ownership to user-ship) and new environmental concerns. The Innovation team has the aim of supporting the Group to adapt faster to the new environment with three main objectives:

- accelerate the Group's transformation by building innovative scalable solutions through our ecosystem connections;
- be customer centric and innovation-minded by applying new creative methodologies ("Design Thinking & Lean Startup");
- improve efficiency by aligning our vision and decisions through a centralized innovation strategy.

In that perspective, the Mobility Lab has been rebranded "Innovation team" and will focus on incremental and adjacent innovation, relevant to the Group's daily business and operations. To achieve this, the team will source and test innovative solutions (through start-ups but not only) to offer an innovation methodology toolbox. The first objective will be to support and accelerate the strategic initiatives as the "Phygital" customer journey and digital station, sustainable fleet and connected vehicles amongst others. Beyond mobility solutions, the Innovation team will also support all Functions in their daily challenges.

To achieve this, the Innovation team works in close collaboration with the Business Units, the functions, countries and the network of franchisees. It will enter into partnerships with external stakeholders, notably companies, but also the public sector, start-ups, accelerators and universities.

1.5.3.3.2 Methodology

The Innovation team uses the "Lean Start-up" methodology, which relies on accelerated prototyping, rapid trials and concept verification and the acceptance of failure. The Innovation team also uses the "Design Thinking" method, which focuses on problem resolution through innovative and creative thinking. Effectively, the Innovation team implemented an innovative process based on carrying out studies of the latest trends, the implication in an innovative ecosystem, sourcing of innovative solutions, running proof-of concepts projects and supporting the roll-out and implementation.

- **First action**: the Innovation team carries out various reports and studies to keep itself updated on the latest innovative trends. Throughout the year, the Innovation team updates research which synthesizes the main markets and players in key areas of interest for the Group and the connections between them to bring market knowledge and innovation solution sourcing to the related business branch.
- **Second action**: the Innovation team is involved in the mobility and innovation ecosystem through meetings with numerous start-ups and involvement in different conferences or events related to innovation and mobility.
- **Third action**: the Innovation team follows an innovation process in five-steps, from ideation to innovation:
  - 1st step -The ideation: this is an intensive process lasting from two to five days which enables the Innovation team members to share ideas, review and evaluate options and, finally, to begin to respond to an identified need. The Innovation team members reflect with the responsible of the activity on a problem's solution, build a prototype and test their idea with customers;
  - 2nd step – Conception or sourcing: this phase consists of making more real the solution discovered during the ideation phase. The Innovation team undertakes a more detailed study into the market of the solution to better understand it; the Innovation team also conducts customer surveys to validate that a demand exists and that, technically speaking, the solution works;
  - 3rd step – Prototyping: this phase allows the team to materialize the solution and does not require any significant investment from the Group. Here are some examples of outputs from the prototyping phase which are all presented to potential customers to analyze their reaction and interest:
    - a landing page, which corresponds to a quickly designed website with no backend but with detailed explanations on the concept and a subscription button,
    - brochures explaining the offer,
    - email campaigns with subscription buttons sent to a client database, and
    - application mock-ups.

    If the prototyping phase is successful (i.e. potential customers show interest in the solution), the first business plan is co-created with the business teams. This will support the results of the prototype and give a four-year projection. The business plan is presented to the Group which decides whether or not to proceed with the piloting phase;
  - 4th step – Proof-of concept (PoC) or piloting: the solution is put in real conditions with customers from one of the Corporate Countries of the Group. The length of this phase can vary depending on the time to gather sufficient data for the Group to make a decision whether to deploy the solution or not. All customers (internal or external) involved are asked to complete surveys to obtain as much information as possible on their level of interest in the solution. If the PoC or pilot phase is a success, a more complete proposition of profitability analysis is prepared and transferred to the ad hoc Business Unit in order to be expanded;
  - 5th step – Roll-out: the innovation team supports the business team in the deployment of the solution in the Corporate Countries.

1.5.3.3.3 Key achievements

The Innovation team is always up to date on the latest innovative trends and start-up ecosystem. In 2019, the team met more than 150 startups and participated in more than 15 events and ecosystems.

In particular, the Group has joined the PlugandPlay network, the world's largest accelerator, present in 26 locations with 10,000 startups already accelerated since 2006. The Innovation team is enrolled in the Smart Cities program in Paris working on the following four pillars: Urban Mobility, Internet of Things, Energy & Sustainability, and Real Estate & Construction. In 2019, the Innovations team achieved:

- standard batches: 152 startups sourced, 70 recommended to Europcar Mobility Group, 20 discussions engaged by the Business Units or functions – 1 POC completed and 2 ongoing;
- dedicated dealflow (damage check): 17 received, 5 discussions engaged by the Business Units or functions – 2 PoC to come in 2020.

The Innovation team has helped accelerate several strategic programs such as:

- **damage check program**: As part of its digital transformation, Europcar Mobility Group seeks to automate the detection of damage on its vehicles. The objectives are to detect damages more efficiently and increase customer satisfaction. Two options have already been selected and will be tested in our network in 2020:
  - a solution with a physical portal installed in an agency, which scans each vehicle on its departure from the agency and on its return and produces a comparative report,
  - a mobile solution, based on image analysis, which can be placed in the hands of station agents or customers directly.

- **CSR program**:
  - deep dive on reduced mobility: The Innovation team explored the state of the mobility market for people with reduced mobility through a deep dive on the subject. In line with the Group's vision of delivering mobility for all, the team analyzed reduced mobility data, monitored competition and explored existing solutions in order to assess the market opportunity and provide recommendations. Answering reduced mobility needs means developing products and solutions that answer both barriers to transport and barriers to mobility in the physical world as well as online. The Innovation team worked closely with the CSR team, country networks, partners, NGOs and potential customers to get the full picture on the subject. The deep dive provided support to the Group in deciding on related projects and potential partnerships.
  - **eco driving**: As part of its CSR program "Commit Together", the Group launched an eco-driving initiative in the 4th quarter of 2019 with the French startup WeNow. WeNow offers an eco-driving solution to reduce the environmental footprint of corporate vehicle fleets and modify driver behavior. The pilot was conducted with B2C customers from the Paseo Maritimo station in Mallorca. After each rental contract, each customer received their eco-score based on their driving data (speed, altitude, CO_2 emission, etc.) and advice to improve their behavior on future trips. 244 customers participated in the challenge, the best of them won a SmartBox for a weekend for two people.

1.5.4 Group digital transformation

Like in most industries, the advent of the digital revolution has opened massive opportunities in the mobility sector, which notably enables brands to offer enhanced and more personalized services to its customers and unlocks significant productivity gains on the operation side. This reality brings deep transformation in the Group as well as strong value creation opportunities, both on the revenue and the cost sides.

1.5.4.1 Digitalization transformation levers

Digitalization and the fact that vehicles are becoming autonomous, electric, connected, and shared, tend to bring about a convergence in the various mobility segments. These changes in products and services go hand-in-hand with a new customer experience based on multichannel, digital commerce and personalization, with a focus on customer insight, data analytics, predictive services and continuous service relationship. The Group is more specifically working on four main areas in which digitalization is used as a tool to accelerate its development:

- **digitalization of the customer journey**:
  - expanding the digital experience to offer a simplified and digitalized experience from start to finish,
  - accelerating online revenue and "direct-to-brand" growth: the Group currently receives 70% of its bookings through digital channels but believes this share will increase in the future, notably for the "direct-to-brand" segment;
- **digitalization of operations**:
  - automating station-level non client-facing processes like vehicle automated damage check;
- **digitalization of products and services**:
  - enhancing satisfaction through a proactive commercial approach and personalized customer experience, through better knowledge of the customer and robust CRM tools,
  - improving and enriching the Group platforms, offering more combined mobility services;
- **tech-enhanced organization**:
  - reorganization of the IT function into two separate entities, the Product organization and the Technology organization, with the deployment of the agile methodology.

1.5.4.2 Digitalization-related strategic programs

In 2019, the Group continued to focus on its customers and their consumption habits to improve the services it offers in a constantly changing environment. Accordingly, the Group's Net Promoter Score continued to trend up in 2019. The Group also launched or continued several programs encouraging a focus on the customer experience or optimized operations:

- **digitalization of the customer journey** (named Click & Go for the Europcar brand and Key 'n Go for Goldcar) – The objective is to reinvent the customer experience by enabling the Group's customers to choose at each step of their journey – from booking to post-rental – how they want to interact with the Group, be it physically or digitally, or both. The Group already released the first part of this program in 2019 with the launch of the new iOS app and the deployment of the Queue Management System in large stations. An Android app will be released in the first half of 2020 and other features will follow accordingly. Moreover, self-service key dispenser kiosks have been deployed at InterRent Mid-Tier stations. Lastly, the Group already offers all Ubeeqo customers and some other customers the ability to get into their rental vehicles using their smartphones.
- **connected vehicles** – Build a platform that collects in real-time and processes all data from vehicles allowing:
  - a better management of the fleet (collect and leverage in business processes accurate information on

mileage, fuel level, positioning, potential vehicle crash, maintenance events, etc.) ensuring a smoother customer experience and an improved utilization through pooling vehicles across all brands,
- an enhanced customer experience through innovative services,
- the Group committed to connect 80% of its fleet by 2023, while today part of it is already connected (Ubeeqo fleet, Europcar Ireland, GoCar, as well as in Mallorca island). In 2020, the Group will notably connect its whole fleet in the United Kingdom and its LCV fleet in certain markets;

- **digital station** – Deploy several hardware and software solutions aiming at standardizing and automating or streamlining station-level processes, both client-facing and non-client-facing, adapted to the station category.

1.5.5 A strong financial structure driven by operational cash flow generation

The Group can afford its ambition thanks to four main financial advantages. It relies on a flexible and continuously optimized financing structure, especially for its fleet; it has solid prospects for cash flow generation; and finally, it should benefit from the cost synergies resulting from recent acquisitions. These essentials will allow the Group to keep generating cash in the coming years for both accelerating its growth and bringing return to the Shareholders.

The Group's experience with respect to the management of its fleet and operating costs, together with its diversified fleet financing (including operating leases) and its ability to control non-fleet working capital requirements (in particular by harmonizing payment terms across the Group) have contributed to stronger cash generation. This has also allowed the Group to manage its total net debt recorded on the balance sheet (consisting of both its fleet financing debt, which is asset-backed, and its net corporate debt), giving the Group a sound financing foundation as well as better financial flexibility.

1.6 THE GROUP'S BUSINESS

1.6.1 Overview of business

The Group's strategy and development are defined and overseen by the Management Board. The Management Board has four members: Caroline Parot, Chairwoman of the Management Board, Fabrizio Ruggiero, Deputy CEO and Head of Business Units, Olivier Baldassari, Chief Countries and Operations officer, and Albéric Chopelin, Chief Commercial officer.

The Group's operational organization is based on management of the Group's activities at a local level by Corporate Countries, which implement the strategy and objectives set by the Group through its Business Lines. Management of the Group's activities outside the Corporate Countries consists of management of franchisees, partnerships and commercial agency agreements. Dedicated management teams at the Group level (Human Resources, Fleet, Finance, Operations & Network, Commercial, IT and Legal) also oversee the execution of the Group's strategy.

In 2017, the Group modified its organization, with the goal of optimizing its competitiveness and agility as well as accelerating its growth. The Group wishes to better capitalize on its customer-focused vision to ensure sustainable growth. The Management Board accordingly decided to launch a project to organize the Group around five Business Units reflecting the Group's commercial strategy and a strong focus on the activities linked to its core business, while also developing new business opportunities:

- **Cars BU**

The Cars Business Unit is the Group's historic division. Its objective is to consolidate the Group's leading position in Europe by continuing an organic and external growth strategy, in particular through acquisitions of franchisees. In 2019, the Cars BU had revenue of €2.157 billion, which represented around 71% of the Group's revenue for the year. The Cars BU targets both the leisure and business customer and offers customers a wide range of vehicles in all the countries where the Group operates;

- **Vans & Trucks BU**

The objective of the Vans & Trucks Business Unit is to become number 1 in Europe in the market for light commercial vehicles. The Business Unit is managed by a Chief Executive Officer, who is responsible for the Business Unit's results and has a small central team which supports the Vans & Trucks business, with country Directors and Vans & Trucks teams on the ground. The Business Unit generated revenue of €366 million in 2019, representing nearly 12% of the Group's revenue. The main objectives for 2020 were to develop a network of branches dedicated to the Vans & Trucks business segment, restructure its operational network, increase the revenue per rental day and improve the average monthly costs per fleet unit.

- **Low-Cost BU**

The objective of the Low-Cost Business Unit is to consolidate the Group's leadership in the low-cost segment by offering an incomparable customer experience through technological innovations at accessible prices and a strong presence in the main tourist locations in Europe. The Low-Cost BU had revenue of €411 million in 2019, which represented around 14% of total Group revenue. The key factors of this Business Unit's success are to offer a wide range of additional services adapted to the needs of each clientele, an economy rental fleet, a growing digitalization of the customer experience, and to be at the technological forefront of the sector. Following the Group's acquisition of Goldcar in December 2017, it focused on creating the European low-cost leader with the integration of the Group's low-cost businesses (Goldcar and InterRent). The Group's Low-Cost BU is now managed by the former management team of Goldcar and benefits from the expertise, organization and lean procedures of the Goldcar Group. Upon the acquisition of Goldcar, the Group announced that it planned to extract synergies from integrating Goldcar in the areas of fleet financing, purchase, insurance and structure costs. Cost synergies are estimated and confirmed at €30 million per year by 2020.

- **Urban Mobility BU**

The purpose of the Urban Mobility Business Unit is to set up, develop and deploy Europcar Mobility Group's new mobility solutions to make it one of the major players on this high-growth market. The Business Unit has three main business lines: closed-loop car sharing, B2B ride-hailing, and PHV (Private Hire Vehicle). These mobility solutions are offered on fully digital platforms (applications and the Web) and are specially designed to meet the specific needs of customers. In 2019, the BU recorded around 40% revenue growth and expects annual weighted growth of around 60% in the next four years, thus becoming a driver of growth and of attraction of new customers for Europcar Mobility Group.

- **International Coverage BU**

The International Coverage Business Unit's objective is to expand Europcar Mobility Group's services worldwide. The Business Unit is managed by a Chief Executive Officer, with full responsibility for the Business Unit's earnings, and consists of three departments managed by Department Directors: the Group Franchise Department, the Group Alliances Department and the Regional Sales Department. In 2019, the Business Unit contributed approximately €40 million to the revenue of Europcar Mobility Group. The main task of the International Coverage Business Unit is to act as a facilitator between countries, driving and steering profitable business from/to all Europcar Mobility Group's Corporate Countries, franchisees and partners.

These five Business Units benefit from the network's strength in different Corporate Countries as well as the experience of their managers.

The support functions ensure the implementation of the Group's strategy and bring their expertise to the Business Units and Corporate Countries.

This new corporate organization, which was implemented in 2017, also provides the Group with new management bodies to better achieve the Group's ambition. For this purpose, the Group has created:

- a Group Executive Committee whose task is to roll out the Group's strategy within the Business Units. It is managed by the Chair of the Management Board and includes the other Management Board members as well as the heads of each Business Unit and the heads of the following support functions: Chief Commercial officer, Director of Customer Experience, Chief Financial officer, Human Resources Director, IT Director, Company Secretary, Chief Strategy officer and Marketing Director;
- a Committee of Country Managing Directors whose role is to ensure the smooth roll-out of the Business Unit strategy at the local level and operational excellence in business management. It is run by Olivier Baldassari and includes all Corporate Country Managing Directors.

See Section 5.1.5 "Other management bodies" of this Universal Registration Document for more information on the management of the Group and the Corporate Countries within the new Group organization built around five Business Units.

1.6.2 Europcar Mobility Group's brands and their services offers

In 2019, Europcar Mobility Group operated as a mobility service company, addressing the car and light commercial vehicle rental markets as well as the new mobility market. The Group's brand portfolio demonstrates a strong capability to meet the mobility needs in all segments with the appropriate solutions.

The brand portfolio

The Group covers the traditional and upscale market with its Europcar® brand, the mid-range market with it Interrent® brand,the low-cost market with its Goldcar® brand and the urban mobility market with its Ubeeqo® brand.

During the summer of 2019, the brand portfolio was revised to implement a strategy aimed at differentiating the Group brands and focusing the portfolio on four flagship brands: Europcar, InterRent, Goldcar, and Ubeeqo.

The positioning and attributes of each of these four brands were re-dimensioned to strengthen the Group's brand capital and improve the perception of each of its brands.

This project was closely followed by the launch of invitations to tender to choose an integrated media buying and creation agency: for the first time in its history, Europcar Mobility started working with a single agency per field,covering the creation and media coverage strategy of all four brands at the same time. Havas Media was selected for the media buying strategy and BETC was selected for the creative strategy.

Europcar® is the Group's core brand addressing the mainstream short to long-term vehicle, car, van and truck rental market.

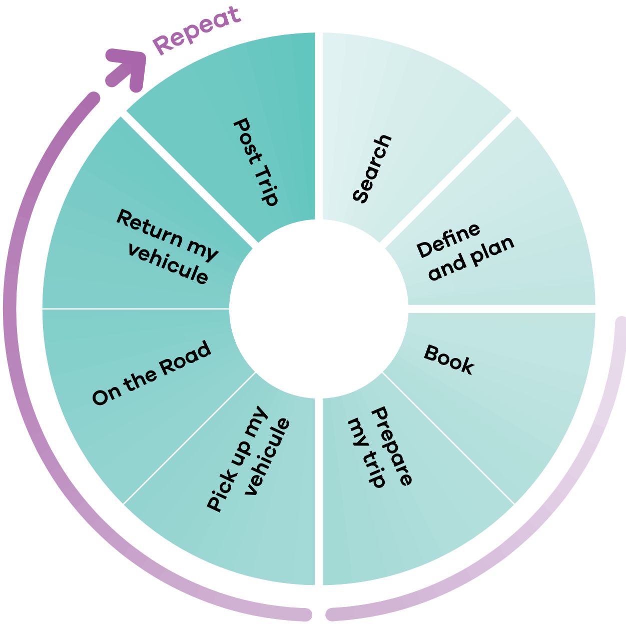
Europcar has developed an offer focused on knowing its customer base thoroughly and providing them with an extensive choice of customer experiences, whether they are looking for a fully digitalized journey or a step-by-step journey with human interaction at all stages, or a mix of both. The Europcar brand serves a wide range of market segments, as well as a portfolio of diversified customers, from large multinational business accounts to small and medium enterprises and individual customers, regardless of their uses and needs, whether in the professional, leisure or mixed segment.

Europcar's extensive local network covers more than 130 countries worldwide through the Group's corporate and franchisee network and also serves customers in the United States via the takeover of Fox Rent A Car, as well as Canada and Asia through a global alliance with expert partners such as Discount Car Rental in North America, Times Car Rental, ShouQi Car Rental and Eco Rent a car in Asia.

Founded in 1949, the Europcar brand has always been a pioneer in the field of car-sharing through rental services, consistently ready to provide more services to travel beyond a city's or a country's borders. The brand has turned this heritage into a strength, continuously demonstrating its ability to renew its offers and expand its network.

The brand's traditional color since 1989 also symbolizes its eco-citizen commitment, whether in terms of its low-carbon, hybrid and electric vehicle fleet or the commitment of its employees to reduce water waste when washing cars or printing paper, and to reduce plastics and waste at the stations and at headquarters.

Although the Europcar brand remains focused on winning new customers and increasing its market share in the world, the loyalty of its existing customer base is a key strategic priority in the brand's development and covers the last (but equally important) stage in the customer journey: the "repeat" stage.



The Europcar Privilege® program addresses this ambition through a free loyalty program that offers regular customers a wide range of rewards and exclusive services. The program is structured into four status levels (Privilege® Club, Privilege® Executive, Privilege® Elite and Privilege® Elite VIP) and rewards customers based on the number of rentals or rental days, for cars, vans or trucks, with great advantages for three rentals and more, enabling customers to receive a free car rental weekend anywhere in the world in Europcar's countries of operation.

Among the program's special services, priority access to vehicle pick-up, a guaranteed reservation until the station closes, and an additional driver free of charge for the program's top statuses were decisive advantages contributing to the program's adoption. It has received two prestigious "Frequent Traveler Awards 2019" for "Program of the year" in Europe and Africa, and "Best Loyalty Customer Service" in Europe, Africa and Asia-Pacific.

In terms of the program's efficiency, 70% of regular customers who are program members have repeated their rentals from Europcar from one year to the next, compared to 30% for non-members. In addition, the program's specific customer relations plan helps maintain a special, fully personalized relationship with each of the members while increasing revenue from the promotional emailing channel via exclusive and/or preview offers. In 2020, the Group is launching a multi-brand loyalty program for its four main brands with the total overhaul of the Europcar Privilege® and Goldcar Club programs to launch a new program combining simplicity with a smoother, more personalized experience and offering the full range of services provided by Europcar Mobility Group.

Moreover, in order to promote the Europcar brand, the Group uses various digital campaigns regarding its products and services and based on the brand signature: "moving your way". The Group also has international partnerships with airlines, major hotel groups, railway companies and credit card companies that both promote the brand and generate demand.

The Europcar brand has received numerous national and international awards, including the World Travel Awards, a range of awards granted by travel professionals that recognize excellence in the global travel and tourism industry.

In 2019, for the fifth consecutive year, Europcar was awarded the World Travel Awards for the World's Leading Green Transport Solution Company, the World's Leading Car Rental Company Website, and also received regional awards such as Europe's Leading Car Rental company, and Oceania's Leading Car Rental company (Australia/New-Zealand):

World's Leading Green Transport Solution Company

World's Leading Car Rental Company Website

For the third consecutive year, Europcar received the prestigious "TripAdvisor Travellers' favourites" award in Germany, Spain and France:

InterRent®, deployed by the Group since 2013 originally as a low-cost brand, is repositioning itself as the Group's mid-tier market brand following the acquisition of Goldcar.

Thanks to the "key'n go" facility, InterRent provides a smooth service directly connecting the customer, his or her smartphone and the car, thereby making it possible to enjoy all the other connections necessary for a seamless journey. This new offer is being rolled out swiftly in Europe and has already been set up in the main tourist airports of five countries: Spain, France, Italy, Portugal and the United Kingdom.

Goldcar® is the Group's low-cost brand. Goldcar enables its customers to get the best value for their vacation budget by choosing the most economical way of driving to their vacation destination. Its aim is to consolidate its leading position in the low-cost leisure market in Europe. Goldcar's primary goal in the coming years will be to work on constantly improving its services and committing to customer satisfaction in the long term.

With more than 30 years of experience in the car rental sector, the Company operates more than 100 stations in Europe, including both corporate and franchisees, and now has a presence in more than 20 airports in the United States thanks to the Group's takeover of Fox Rent A Car. The three pillars of its core business strategy, namely geographical expansion, an excellent customer service, and investment in new technologies, allow Goldcar to continue offering the best prices and services to its customers.

Ubeeqo® is a French start-up company established in 2008 in mobility and fleet management services for companies and more recently for individuals. Since February 2017, Europcar Mobility Group wholly owns Ubeeqo International. This acquisition was part of Europcar Mobility Group's strategy to expand its mobility solutions offerings to respond to customer needs by providing simple, turnkey solutions.

Through its solutions and technologies, Ubeeqo encourages individuals to travel differently, by making better use of cars when they are indispensable, or by using an alternative where possible.

Ubeeqo, present in France and Belgium, as well as in the United Kingdom and Germany since 2015 and in Spain and Italy since 2016, offers various services and car-sharing services (general public or in companies) or mobility credit for their employees.

Ubeeqo's current customer base includes several French blue-chip companies, such as Danone, L'Oréal, Airbus, and Michelin. Its business that targets German companies recorded strong growth in 2017 and 2018. Its solutions aim to provide customers with significant savings, enhanced employee satisfaction and a limited impact on the environment.

In terms of brand positioning, Ubeeqo strives to become the smart alternative to owning a car, while endeavoring to push the boundaries of individual mobility. Ubeeqo is the Group brand that offers a climate-friendly urban footprint and a fully-fledged digital experience.

The ambition of this brand, which introduced car-sharing to companies, is to become a lifestyle brand and a smart choice for urbanites who care about their style and impact on a "livable" city and for those who do not have the means to buy a car; a brand that provides access to mobility in and to the major cities.

Customer Centricity

Since 2019, the Group has restructured its Sales and Marketing activity to position the Customer at the center of its organization (Customer Centricity). Through an improved customer experience, this strategic direction aims to develop a loyal customer base and a community of ambassadors who drive recommendations and the Group's reputation.

Intended to accelerate the transformation program implemented by the Group and all its brands in this regard, the previous programs aimed at improving customer satisfaction, managing interactions and defining customer journeys (in particular digital in nature) have thus been grouped together within a Customer Engagement Department.

1

Customer relationship

In 2019, the Group finalized the reorganization of its Customer Relationship activity (Contact centers) by streamlining its service providers (from 11 to 3), leading to the renegotiation of its pricing terms but also to the centralization and professionalization of its governance and customer management. This reorganization process launched for the Europcar brand, for all its Corporate Countries, has also been applied to the Goldcar and InterRent brands as from this year.

The process has also enabled the overhaul of customer management processes, the deployment of new contact media (like the chatbot, an automated conversational agent) and a tool to measure customer satisfaction after each interaction with a human agent or robot (CSAT). This homogenization, standardization and industrialization process will be continued in 2020 in a move towards a unified customer experience that is aligned with brand values and economically optimized, taking into consideration the specific characteristics of our B2B and B2C customers.

Customer satisfaction

Since 2011, with a view to enhancing the Customer Experience, Europcar monitors and manages customer satisfaction by gathering customer feedback as part of a continuous improvement approach.

Within the Customer Engagement structure, "Voice of the Customer" ambassadors have been appointed locally in the main markets to ensure the consistency and prioritization of the initiatives implemented to address customer satisfaction challenges. This approach will help implement important changes in the management of our customer processes, such as simplified fuel charging.

The impacts of these changes are monitored through the Net Promoter Score. The NPS is one of the main customer satisfaction measurement indicators, both at the operational and executive levels, and shows the difference between "promoters" and "detractors" of our brands.

All Group employees have an interest in this indicator as it is linked to a portion of their variable compensation. Rental station scores are reviewed weekly and action plans implemented based on these reviews.

Europcar measures NPS the same way in all countries, corporate and franchisee, This KPI (key performance indicator) is growing quickly, rising from 45 in 2015 to 57.8 in 2019 (figures at the end November 2019).

Goldcar, InterRent and Ubeeqo have also implemented the Net Promoter Score. The measurements will be aligned from January 2020 and will be aggregated in a Group NPS made up of the different brands' results. An ambitious target of 50 has been set for this indicator by 2023.

In addition to the NPS, other KPIs are monitored as well to have a complete view of the customer journey. Europcar uses the Customer Effort Score (CES) to monitor the ease of service when booking and before picking up the car. Today, the CSAT is used to measure customer satisfaction at two different points of contact: after interacting with a member of the Contact Center, and following a digital booking.

Customer journey

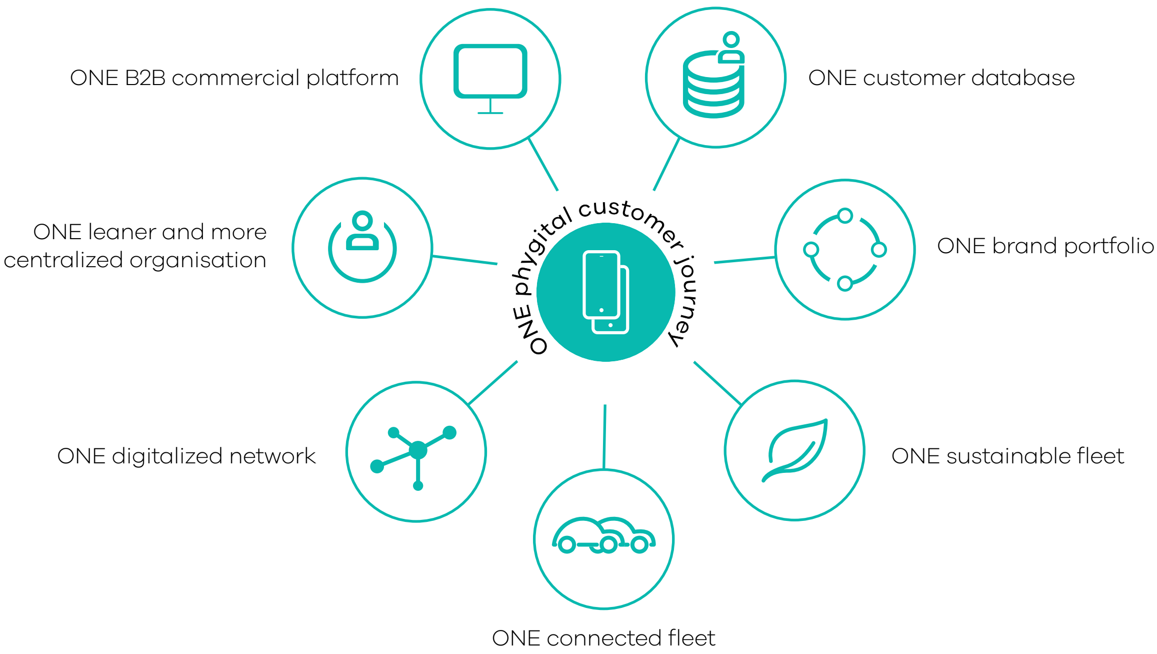
Defining the Customer Journey is the third pillar of Europcar Mobility Group's customer-centric strategy.

In keeping with the definition of its brand portfolio and through the implementation of its "One Customer Base" initiative, Europcar Mobility Group has developed a better understanding of its customers, their typical profiles and the "moments of truth" in their physical or digital journeys.

Collecting needs, preferences and uses, including an overview of all the customer's interactions with each of our brands, constitutes a key pillar in developing an improved customer experience.

To this end, we have ramped up the digital experience offered to our customers: new Europcar iOS app (including functionalities to register your driver's license or to check-in online), overhaul of our Queue Management System at stations for a smoother experience and shorter waiting time, new Goldcar website; industrialization of the Key'n Go initiative to pick up Goldcar vehicles without waiting and on a self-service basis.

The main area of development thus lies in improving the multi-brand digital experience of our customers, from the recognition process to personalized journeys and a Group loyalty program proposal.



1.6.3 Customers (Business/Leisure)

The Group's products and services are offered to a large range of business and leisure customers. Business customers primarily include large corporates, small and medium-sized businesses, as well as entities renting vehicles to provide temporary vehicle replacement services. Leisure customers primarily include individuals renting vehicles for their personal needs, in particular for travel during holidays and weekends, directly or indirectly via tour operators, brokers or travel agencies.

The business and leisure segments have different and complementary characteristics, particularly in terms of seasonality of demand, which allows for better management of the Group's network (both in terms of stations and the fleet utilization rate*). The Group believes that maintaining an appropriate balance between business and leisure rentals is important to maintain and enhance its overall profitability and the consistency of its operations throughout its network. Consolidated revenue generated by the business and leisure customer segments remained relatively stable during the last few years. For the year ended December 31, 2019, leisure rentals accounted for approximately 61% of the Group's vehicle rental income (excluding fees received from franchises), with business rentals accounting for the remaining 39% (against 60% and 40% respectively in 2018).

Certain of the Corporate Countries in Europe (Germany and Belgium) are more geared towards business customers, while others (Spain, Italy, Portugal and Ireland) are more geared towards leisure customers and others (France, the United Kingdom and Denmark) have a balance between business and leisure customers. The Corporate Countries in the Rest of World operating segment (Australia and New Zealand) are more active in the leisure market. The table below shows the breakdown of the Group's revenues from rental activities (excluding fees received from franchisees) by business and leisure customer segments by Business Unit for the year ended December 31, 2019:

BREAKDOWN OF THE GROUP'S VEHICLE RENTAL INCOME BY CLIENT SEGMENT AND BY BU IN 2019

	At December 31, 2019	
BU	Business segment	Leisure segment
Cars	40%	60%
Vans & Trucks	77%	23%
Low Cost	0%	100%
TOTAL	**39%**	**61%**

1.6.3.1 Business customers

Business customers who rent a vehicle from the Europcar network include large corporates, small and medium-sized companies as well as vehicle-rental companies offering replacement services. Most business customers rent cars from the Europcar network on terms that the Group has negotiated (either directly or, in the case of small and medium-sized enterprises, through travel agencies). The Group also categorizes rentals to customers of companies offering support services and vehicle replacement as business rentals.

Revenue from business customers tends to be primarily concentrated during the period from Tuesday through Thursday each week. Revenue from business customers is less subject to seasonal change.

1

In 2019, the Group strengthened its Business to Business organization and plan with a strong focus on new businesses. A new leadership team is in charge of the steering centrally (with countries and Business Units) to make business customers a top priority with a focus on mid-sized key accounts and growth segments.

A B2B portal is being developed to support new businesses and sale of multiple products i.e. mid-term rentals, Ubeeqo and cross-border activities.

Even if our core business is short-term rental, there is an opportunity in many countries and in the wide market of mid-term rental, on the basis of the work previously implemented by local initiatives.

Large corporates

Europcar Mobility Group has several contracts with major international accounts, such as Bosch, for which it is the exclusive or preferred supplier of rental vehicles to their employees for their professional use. Europcar also has a strong presence within assistance companies and rental (leasing) companies which provide short-term rental services for their own B2B or B2C customers.

The contracts with large corporates are concluded at pre-negotiated rates and service-levels. Many of the Group's business customers have direct access to Europcar's IT system via dedicated micro-sites, providing such customers with reservation and invoicing interfaces specifically tailored to their needs. When the volume of rental transactions with a particular customer is significant, Europcar may be led to "implant" a rental station directly on the customer's premises.

Vehicle rental contracts are typically signed with large corporates based on competitive tenders at the end of which one or more suppliers are selected. The Group organizes the structure of its sales teams for large corporates based on the general requirements of different industry sectors to ensure that it uses its knowledge of these sectors to propose appropriately tailored offers.

The companies which have centralized purchasing services at the Group level are managed by a dedicated international sales team who are responsible for the sales relationship at the Group level.

Small and medium-sized businesses

Europcar Mobility Group is the exclusive or preferred provider of rental vehicles to employees of numerous small and medium-sized businesses (SMEs) at pre-negotiated rates and conditions. This customer segment is characterized by a large number of accounts, which limits exposure to any single customer. The Group is focused on further penetrating this customer segment, in which it sees opportunities for profitable growth. This segment experienced sustained growth and now has a specific B2B portal with services and information tailored to business customers.

Vehicle replacement

The replacement vehicle rental industry principally involves the rental of vehicles to insurance and leasing companies, vehicle dealers and other entities offering vehicle replacement services to their own customers. Via insurance companies, the Group offers its services to individuals, whose vehicles were damaged in accidents, are being repaired or are temporarily unavailable. In order to strengthen this business, Europcar has entered into several agreements with insurers, dealerships, repair shops and vehicle leasing companies. The Group seeks to further develop its activities in this customer segment by expanding its existing customer base (including in franchised countries) and through the implementation of incentives and special offers through the Group's principal partners.

1.6.3.2 Leisure customers

Leisure customers primarily include individuals renting vehicles for their personal needs, in particular for travel during holidays and weekends, directly or indirectly via tour operators, brokers and travel agencies. The Group also serves a portion of its leisure customers through partnerships to expand its customer base.

Leisure rentals are typically longer in duration and generate more revenue per transaction than business rentals (other than vehicle replacements). Leisure rental activity is more seasonal than business rental activity, with heightened activity during the spring and summer (particularly in France, Southern Europe, and in December and January in Australia and New Zealand). Leisure rental activity also tends to be higher on weekends than mid-week.

Individuals

This segment includes all individual customers contracting directly with Europcar Mobility Group's portfolio of brands. For example, individuals book directly under the Europcar® brand through the brand's website or using the Europcar® app, cell phones or tablets, through call centers and vehicle rental stations and under the InterRent® or Goldcar brands through the brand's dedicated websites or the InterRent® or Goldcar apps, cell phones or tablets (see Europcar Mobility Group's Direct Distribution Channels under Section 1.6.4 "Distribution Channels"). The Group intends to further develop its activities in this customer segment following the optimization of its E-commerce Department in order to accelerate the trend in reservations on websites and mobile applications and the signing of new agreements with general sales agents in order to stimulate international demand, in particular in China, India, Russia and Brazil.

In recent years, the development of new mobility services has led to new uses by customers. For example, customers are not only using the Ubeeqo and E-car services for leisure, but also use these services daily and throughout the week. In addition, the duration of the use of services can be very short, with rentals limited to a few hours that can be extended to several days.

Partnerships to reach leisure customers

Europcar Mobility Group has partnerships with several players in order to offer mobility services to its customers. These exclusive or preferential partnerships allow Europcar to expand its leisure customers. Business is generated through Europcar's distribution on partners' channels or through participation in partners' loyalty programs. Europcar Mobility Group currently has international partnerships in different sectors that represent a significant portion of its vehicle rental income, including:

- in the airline sector, partnerships with airlines such as EasyJet (Preferred Partner from November 25, 2019 through October 2021) Lufthansa signed in March 2017 as preferred partner (distributed within the booking flow). Aeroflot as exclusive partner signed in December 2013 (where Europcar products and services are distributed within the booking flow), Air Caraïbes exclusive partnership signed in March 2016, Scandinavian airlines signed in 2018 as preferred car rental partners, Emirates (partnership signed in March 2014, under which Europcar customers who are members of the Skywards frequent flyer program receive miles in Emirates' frequent flier programs for every rental), Miles and More frequent flyer program with a preferred partnership for more than 10 years in the hotel sector, partnerships with large groups such as Accor for business, marketing and communication purposes (partnership established January 1, 2000) where Europcar products and services are distributed within the booking flow using our own API connection; and
- in the railway sector, partnerships with Thalys and Deutsche Bahn.

The Group also has marketing partnerships with credit card companies, credit institutions and organizations offering loyalty programs, such as HSBC Home Away.

Europcar's contractual relationships with its principal commercial partners typically have terms between two and four years.

The Group plans to increase its development on this customer segment through the signature of partnerships in new sectors (cruise ships, banks, insurance) utilizing it multiple brands and products.

Tour operators, travel agents and brokers

Europcar Mobility Group works in close collaboration with various tourism-industry intermediaries, leveraging their marketing positioning to improve the Group's visibility and reputation and to enter additional distribution channels.

Europcar Mobility Group has agreements at the international and national levels with several travel agencies (including online travel agencies) that work directly with Europcar or through tour operators or brokers to offer vehicle rentals to customers, either on a stand-alone basis or as part of packages.

In addition, Europcar Mobility Group has multi-year agreements with certain major tour operators such as TUI to serve their customers' leisure-destination needs. Tour operators are traditional partners, combining vehicle rental with hotels and flights to offer packages to customers.

Brokers (such as Rentalcar.com, Expedia.com, CarTrawler and AutoEurope.com) are leisure intermediaries who sell vehicle rental services to end customers on their own behalf or on behalf of the vehicle rental companies.

The Group considers that it maintains ongoing, balanced relationships with these different intermediaries. These relations based on a multi-brand (now selling Europcar and its products, such as Keddy, InterRent and Goldcar) or multi-product strategy allow the Group to benefit from additional contributions made to its activities during the low season, or for certain partners, from intermediaries' early payments especially during high season, a period when the Group guarantees them a certain number of vehicles.

1.6.4 Distribution Channels

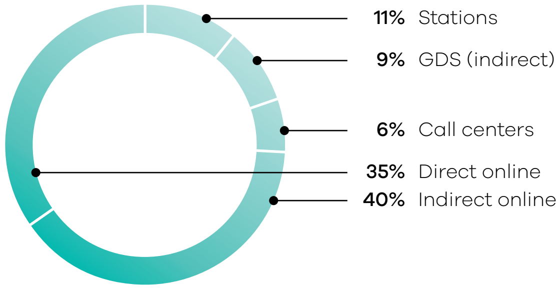
The Group's customers have access to mobility offers of Europcar Mobility Group's through various distribution channels.

Customers may book rental vehicles worldwide network through local, national or toll-free telephone calls handled by call centers; directly through stations; or, in the case of replacement vehicle rentals, through a proprietary dedicated system serving the insurance industry. Additionally, customers may make reservations for rentals worldwide through the Group's websites and using its apps or cell phones and tablets. These distribution channels are known as "direct" booking channels as they are controlled by the Group.

Customers may also book vehicles through indirect distribution channels, such as travel agents, brokers, or other third-party travel websites. Such third-party actors often utilize a third-party operated computerized reservation system, known as a Global Distribution System or "GDS", to contact Europcar and make the reservation on behalf of the customer.

For the Europcar brand, the following chart sets out the breakdown in reservations by distribution channel in 2019, including direct channels (stations, call centers, websites) and indirect distribution channels (intermediaries' websites and GDS) in the Corporate Countries[1].

Breakdown of Europcar® Reservations by distribution channel in 2019



Source: Company.

1.6.4.1 Direct distribution channels

E-Commerce

In light of the growing development of e-commerce and mobile applications in particular, the Group has invested in its websites and applications. Today, more than 200 websites operated for Corporate Countries and Europcar franchisee countries, as well as its partners, are operated on our e-commerce platform. Europcar also offers a B2B portal on its websites to better serve its customers and win online business customers, especially on the SME market. A platform for B2B customers was developed to allow them to open a business account in three minutes and start their online bookings immediately with a preferential rate.

In 2019, Europcar launched the first version of its new-generation (iOS) mobile app offering multiple services to individual and professional customers, such as online check-in and simplified account creation; this represents a significant step forward in digitalizing the rental customer journey.

In the same year, a vehicle recommender tool was set up on all our websites to recommend vehicles that best match customer needs.

The Group developed a multi-brand platform enabling the customers of our partners (AccorHotels, Lufthansa, etc.) to book all our brands online using the same interface.

2019 also saw the expansion of online sales in China with the launch of a new dedicated website with content adapted to the Chinese market and communicated via social media campaigns and search engines specific to this market (Weibo, WeChat, Baidu).

The Goldcar brand rolled out its new website tailored to the changing needs of our customers (mobile uses) and now boasts new destinations offered online (United States, Australia and New Zealand).

The InterRent brand developed and promoted the fully connected "Key'n go" feature on its website, which enables customers to pick up their vehicle without going to the rental counter.

Still in 2019, the Ubeeqo brand launched its new mobile app and expanded its 100% connected mobility offering in Paris, increasing its number of first-time users by more than 80%.

Traditional direct distribution channels

Although vehicle reservations are increasingly moving towards e-commerce, the Group continues to maintain its traditional direct distribution channels. Traditional direct distribution channels include call centers and rental stations. These channels remain important indeed and are complementary to Internet channels since, among other things, they are more conducive to the sale of ancillary services.

For the Europcar® brand, call center network consists of call centers located in Portugal, Belgium, Italy, and the United Kingdom. The call centers in Pristina, Kosovo (covering Germany), in Madrid, Spain (covering Germany, France, Italy, Spain and the United Kingdom) and in Sofia, Bulgaria (covering Germany, Belgium, France, Italy, Spain and the United Kingdom) are outsourced and handle approximately 80% of calls from Europcar customers who wish to make a reservation or request. These contacts methods offered include calls, emails, chat and social media.

1.6.4.2 Indirect distribution channels (Internet, GDS)

Classic indirect distribution channels are represented by vehicle rental brokers and intermediaries such as travel agents and tour operators, who use computerized reservation systems (GDS), which allow reservations on the Group's networks. The Group pays third-party distributor fees for each reservation.

Conversely, indirect online reservations have increased from 13% of the Group's total number of reservations in 2010 to 40% in 2019.

Although these indirect distribution channels provide the Group with access to a broader customer base than through its direct distribution channels alone, the indirect customer segment can face stronger competition, as intermediaries and partners generally distribute rental vehicles from several players in the sector. Therefore, Europcar seeks to conclude exclusive or privileged strategic partnerships, under which the Company is the only or the first rental vehicle service provider.

The Group has signed local agreements with large tour operators and travel agents, which target business customers in particular. Europcar is not an exclusive supplier for these tour operators and agents, who choose at a local level to make reservations for business customers who do not have a direct agreement with a vehicle rental company. When a customer has a relationship with both the Group and a tour operator, the tour operator acts as the distribution channel and makes reservations in accordance with the conditions negotiated with the customer.

Tour operators generally offer vehicle rentals as an independent service or as part of a global offering including other services such as air tickets or hotel rooms and are generally compensated by the difference between the resale price to customers and Europcar's selling price to tour operators. Travel agents and most of the brokers, who act as Europcar agents, rent vehicles at a price determined by Europcar and receive a commission on this price.

Third party travel websites have also grown in importance as a distribution channel for Europcar, Goldcar and InterRent. Currently, the Group is a partner of several major online travel portals, which offer three distinct marketing benefits:

- expand the geographical zone addressable by the Group and thus increase potential customers, particularly from the non-European market;
- implement dynamic pricing strategies sensitive to short-term demand and supply trends of vehicles at specific locations with the global service offering of these travel portals;
- indirectly benefit from the links between these travel portals and airlines that are not yet partners in the Group's network.

The development of the indirect digital distribution channels has also benefited from the growing presence of car rental brokers in the market. The Group has signed agreements with most of the major car rental brokers in Europe. Customers have access to a wide range of offers from car rental companies and can directly reserve via the broker's website.

The Group enjoys balanced relationships with intermediaries from the tourism industry. These include the following:

- the vehicle rental industry in Europe consists, as regards the major players, of companies operating under strong and recognizable brands, including Europcar, Goldcar and InterRent. Moreover, these companies have developed attractive geographical networks for customers. The direct relationship between customers and the brand, and the proximity of services offered to customers to the places where they need mobility favors the adoption of balanced partnerships between the vehicle rental company and intermediaries in the tourism sector addressing a complementary target;
- vehicle rental companies are able to adjust their fleet sizes to match demand, in particular when their vehicles are acquired through buy-back programs, which is the case for the majority of the Group's fleet. The Group believes that it has variable vehicle capacity, as contrasted with the fixed capacity that may characterize other sectors, such as the hotel sector, which enables it to manage its various distribution channels consistently;
- vehicle rental companies benefit from volume commitments in low season and prepayments in high season from certain intermediaries, and in return, offer these intermediaries guaranteed availability in high season; and
- in their principal markets, agents rent vehicles at a price determined by the Group and receive as compensation a commission on this price.

The size of the Group's network, the availability of its fleet and the quality of its service are the principal factors of its success in this distribution channel.

1.6.5 Europcar Mobility Group's network

The Group operates directly mainly in Europe through its directly operated and agent-operated stations. It is also present internationally through its franchises as well as via partnerships and general sales agency arrangements. The Group's directly- and agent-operated stations are located in the Corporate Countries, in which the Group has a long-standing local presence and expertise. Franchise stations extend Europcar Mobility Group's network both in Corporate Countries (particularly in France) and around the world to extend the Group's range of services to a wider customer base, and to increase the Group's sales and the reputation of its brands worldwide. This global network gives the Group extensive geographic coverage of both business and leisure customers, with individual Corporate Countries either weighted to one customer category or the other or balanced between them, depending on the geographic location.

The density of the Europcar Mobility Group's network in the Corporate Countries enables to address customer demand for proximity and convenience (as well as a Delivery and Collection service) in such countries. The international scope of the Europcar Mobility Group's network provided by franchisees, partnerships and other commercial and sales agency agreements significantly enhances the Group's ability to capture business from customers traveling outside of their home countries and provides a basis for the Group's continued growth and expansion.

The organizational structure of the Group's operations in each country is tailored to local market dynamics, in particular the nature of the customer base, which may be more business or leisure based and more local or tourist based, and also reflects the historical development of the Group (including the corporate versus agent/franchise mix of the stations in each country). In addition to airport stations, the Europcar Mobility Group network includes agencies at major travel points such as railway terminals, city and suburban centers, hotels, resorts and office buildings. The Group is continuing to optimize its network in order to better serve the needs of its customers and to attract new ones. In particular, the Group is strengthening its network of downtown rental stations in order to capture growth related to the changing user habits for vehicles, which presuppose far less purchase and possession. Certain of the Corporate Countries in Europe (Germany and Belgium) are more geared towards business customers, while others (Spain, Italy, Portugal and Ireland) are more geared towards leisure customers and others (France, United Kingdom, and Denmark) have a balance between business and leisure-customers. The Corporate Countries in the Rest of World operating segment (Australia and New Zealand) are more active in the leisure market.

The Group believes that maintaining a balance between business and leisure customers is an important part of preserving and enhancing the profitability of its business and the consistency of its operations. The locations of stations (airports or other locations) also reflect the specificities of each country's customer base.

The following map presents the Group's global network (defined broadly to include – in addition to directly-operated – agent-operated and franchise stations, strategic partnerships and general sales agency arrangements) throughout the world:

(1) Canada : partenaire en Amérique du Nord.
(2) China : partenaire en Asie.
(3) India : partenaire en Asie.
(4) Japan : partenaire en Asie.
(5) Marque opérée par Buchbinder.

Thanks to this unique network of franchisees, strategic partnerships and sales agents, the Group was the fourth player in the world in the rental vehicle market in 2019 on a company revenue basis (Source: Townhall 2019).

The following table sets out the number of rental stations (broken down by type) that generated revenue for the year ended December 31, 2019:

	2019			
	Stations			
	Group	Agents	Franchises	Total
Europe				
Germany	332	233	2	567
United Kingdom	148	8	5	161
France	258	49	142	449
Italy	48	191	1	240
Spain	180	37	-	217
Belgium	14	13	-	27
Portugal	39	49	-	88
Ireland	20	5	-	25
Denmark	33	7	-	40
Norway	45	3	-	48
Finland	29	13	-	42
Austria	15	2	29	46
Luxembourg	2	-	-	2
Slovakia	3	-	9	12
Hungary	2	-	15	17
Franchisees outside of Corporate Countries	-	-	465	465
TOTAL EUROPE	**1,168**	**610**	**668**	**2,446**
Of which stations in airports	*260*	*25*	*117*	*402*
Rest of the World				
Australia	85	7	28	120
New Zealand	21	5	-	26
Goldcar other territories	27	-	9	36
Franchisees outside of Corporate Countries	-	-	928	928
TOTAL REST OF WORLD	**133**	**12**	**965**	**1,110**
Of which stations in airports	*63*	*7*	*305*	*375*
TOTAL GROUP	**1,301**	**622**	**1,633**	**3,556**

Our Group is operated through the five following business units:

- **Cars BU**

With the Cars BU being the main contributor to the Group's revenue, special attention is paid to the management of its network. Customers of the Cars BU cover almost the entire spectrum of customer segments (see Section 1.6.3). It is therefore important to ensure extensive coverage of the Group's locations with agencies having all or part of their business centered on the Cars BU.

In this regard, agencies working on behalf of the Cars BU are present in all types of locations: airports, stations, city centers.

At the same time, as part of the ongoing search for an increase in the profitability of the Cars BU, the Group has initiated discussions in some of its Corporate Countries on the optimal structure of their network, whether in terms of number, size, organization or agency specialization.

- **Vans & Trucks BU**

The network is based on the principle of concentrating the BU's vehicles in a minimum number of agencies in order to offer a large range of products to customers which contribute to the revenue of this business, mainly corporate customers.

To achieve that, the number of "supersites" grew in 2019 in line with this deployment strategy, either through the opening of new full-fledged agencies or changes made to existing agencies. These "supersite" agencies are entirely dedicated to the business of the Vans & Trucks BU, with direct cost and revenue allocation.

- **Low Cost BU**

The products of the Low Cost BU had historically been offered in the same agencies as those of the Cars BU. However, in conjunction with the takeover of the entire business of the Low Cost BU by Goldcar in 2018, the Group has stepped up the transfer of the low-cost business to agencies fully dedicated to this type of businesses, mainly Leisure;

- **Urban Mobility BU**

Following a sharp growth in their business, the Group's Urban Mobility brands, in particular Ubeeqo, are developing their product offering and their presence in Corporate Countries.

In the case of Ubeeqo, the Group is streamlining the structure of the network developed and used for the brand by identifying, organizing and managing parking spaces owned (on rental, to third parties or other BUs of the Group).

In 2019, Ubeeqo is operating in seven European cities with a global fleet of 3,150 vehicles, out of which 1,050 are dedicated to corporate car sharing schemes.

Special attention is paid to the identification and development of synergies between the Cars and Urban Mobility BUs, for example, where there is sharing of parking spaces and preparation costs.

In 2019, Ubeeqo won the tender for Paris and was allocated 700 more cars, giving an overall fleet of 1,100 cars, most of which are hybrid or electric vehicles parked in the streets.

- **International Coverage BU**

The international expansion of the Group network cannot happen without the Group's strategic management of its franchisees. (See Section 1.6.5.3).

Promoting cross-border activity and inbound traffic in Corporate Countries

The density of the Group's network in the Corporate Countries enables the Group to address domestic customer demand for proximity, while the international coverage of its network considerably enhances its ability to capture business from customers traveling outside of their home countries.

The Group is maintaining and growing its domestic rental business (reserved vehicles, checked out and returned in a single country), and is actively developing its international rental business (in which vehicles are booked through its direct and indirect distribution channels in one country and checked out in another country). Internationally sourced rentals represent an additional source of reservations and revenue for the Group's operations.

In order to develop the Group's international business, management has defined key regional markets outside the Corporate Countries in which it is actively promoting the development of cross-border inbound business to the Corporate Countries. In addition to the promotion of international business through cross-country conferences between franchisees, the development of international business is supported through joint marketing efforts with international partners and business customers, including, for example, campaigns with vehicle manufacturers in connection with the launch of new car models.

1.6.5.1 Operating models

The Group's network is based on different operating models: directly operated, agent-operated or franchise, as may be further extended through partnerships, commercial cooperation agreements and general sales agency arrangements. In general, directly operated stations are located in larger airports and cities, while franchise and agent-operated stations are located in smaller airports and cities. This mix allows a greater coverage for the Group's customers throughout the Corporate Countries.

The Group's revenue is comprised of:

- vehicle rental income generated by its directly-operated rental stations or by the agent-operated rental stations of its Corporate Countries (€2,839 million in revenues in 2019, of which 93.5% was generated in Europe and 6.5% in the Rest of the World, the Group's two operating segments);
- additional services revenue generated (€129 million of revenues in 2019);
- royalties and fees received from its franchisees (€55 million in 2019).

1.6.5.2 Stations operated directly by the Group or by agents

Stations operated directly by the Group

As of December 31, 2019, the Group directly operated 1,302 stations, all located in the Corporate Countries. Each of these stations is managed through one of the Corporate Countries, which owns (or leases) the rental fleet and station sites and employs the stations' staff. The Managing Director of each Corporate Country is responsible for managing the fleet in the relevant Corporate Country and for overseeing the local sales and marketing, the operations, Human Resources and legal functions.

The revenue generated by stations directly operated by the Group is included in the Group's consolidated revenue. It represented 87% of the revenue generated by rental activities in 2019 (stable vs 2018).

Agent-operated stations

As of December 31, 2019, agents operated 568 stations, all located in the Corporate Countries. Agent-operated stations use a Group rental fleet. The sites and employees of agent-operated stations are the responsibility of the agents. Relationships with agents are managed by the Managing Director of the Corporate Country in question.

The revenue generated by these stations is included in the consolidated revenue of the Group and agents are paid a commission (which is accounted for as an expense in the consolidated financial statements of the Group) based on the revenue of the relevant stations. This represented 13% of the revenue generated by rental activities in 2018 (stable vs 2018).

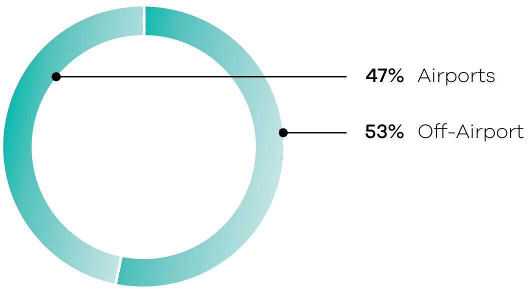
Station locations

The overall Europcar network rents vehicles to its customers from stations located in airports, railway terminals, hotels, resorts, office buildings, and other urban and suburban locations. The locations revenues are dependent on local market dynamics as well as on the density of the Group's network in the country.

Airport locations are important for the Group, as they enable it to offer convenience to customers travelling by air (domestic and inbound) and to benefit from the growth in business in these areas. This is one of the Group's main sources of revenues. Airport stations generally generate higher revenue per unit than stations located in downtown areas.

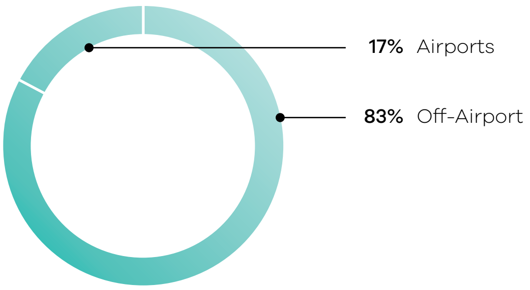
The following charts provide a breakdown in percentage of the number of directly and agent-operated stations and of the Group's rental revenues in Corporate Countries (excluding fees received from franchises) between stations located at airports and other locations in 2019:

BREAKDOWN BY REVENUE



Source: Company.

BREAKDOWN BY NUMBER OF STATIONS



The following table presents a breakdown of the Group's vehicle rental income in Corporate Countries (excluding fees received from franchises) between stations located at airports and other locations in 2019:

BREAKDOWN OF THE GROUP'S RENTAL REVENUE IN CORPORATE COUNTRIES BETWEEN STATIONS LOCATED IN AIRPORTS AND OTHER LOCATIONS IN 2019

Countries	Airport	Off-Airport
Germany	23%	77%
United Kingdom	39%	61%
France	44%	56%
Italy	60%	40%
Spain	39%	61%
Belgium	44%	56%
Australia	60%	40%
New Zealand	73%	27%
Portugal	64%	36%
Ireland	65%	35%
Denmark	81%	19%
Austria	64%	36%
Slovakia	68%	32%
Hungary	28%	72%
TOTAL	**47%**	**53%**

Source: Company.

AIRPORT CONCESSIONS

Through its extensive network of airport stations, the Group is able to serve high passenger volumes at airports. The number of rental stations in airports as a percentage of the Group's total number of stations has increased slightly to 18.0% in 2019. Airport business is highly related to the levels of air travel at the relevant airport, and customers often make vehicle rental reservations at the same time that they purchase their airline tickets. Partnerships with airlines also underpin this business (see Section 1.6.3 "Customers (Business/Leisure)").

In order to operate airport stations, the Group (or the relevant agent or franchisee) has entered into a concession or similar leasing, licensing or other such agreements or arrangements granting it the right to conduct a vehicle rental business at the relevant airports. Europcar's concessions are granted by the airport operators, following either negotiation or bidding for the right to operate a vehicle rental business in such airports.

Access to airports is relatively costly, and the airports' operators control the number of locations made available to vehicle rental companies. The terms of an airport concession agreement typically require payment to the airport's operator of concession fees based upon a specified percentage of revenue generated by Europcar at the airport, subject to a minimum annual fee. Under most concession arrangements, Europcar must also pay fixed rent for terminal counters or other leased properties and facilities such as parking garages. Some concession arrangements are for a fixed length of time (generally three to five years), while others, more rarely, and create operating rights and payment obligations that, as a formal matter, may be terminated at any time. Concession arrangements generally impose on Europcar specific covenants which include certain price restrictions and quality of service requirements. Under most concession agreements, if the revenue generated by the concessionaire increases or decreases, the airports' operators may modify the concession, in particular with respect to the number of parking lots granted to the concessionaire and the rate of concession fees.

The terms of concession arrangements typically permit the Group to seek complete or partial reimbursement of concession fees from customers to the extent permitted under local regulations.

OTHER STATIONS

In addition to airport stations, the Europcar network includes agencies at other major travel points such as railway terminals, city and suburban centers, hotels, resorts and office buildings. This market is considerably more fragmented than the airport market, with numerous smaller vehicle rental businesses, dealers and body shop replacement vehicles, each having limited market share and geographical distribution, competing with larger organizations such as EMG. When compared to airport stations, other stations typically deal with a greater range of customers, use smaller rental facilities with fewer employees and, on average, generate fewer transactions per period than airport locations. Rental stations located at or near railway terminals are operated pursuant to concession agreements similar to those described above for airport stations. Railway stations, particularly those serving high-speed trains, generally generate higher traffic volume than other non-airport stations. A dense network in the outskirts of big cities is also essential as it brings us closer to customers and their needs, in particular small- and medium-sized businesses. In certain Corporate Countries B2B customers in downtown largely use delivery and collection services.

1.6.5.3 The Group Franchise Department

During the year ended December 31, 2019 franchisees operated approximately 1,633 stations worldwide, including 668 stations in Europe and 965 stations in the Rest of the World. Fees from franchisees received by the Group stood at €55.2 million for the year ended December 31, 2019. For further information on the franchisee network, see the map presented in Section 1.6.5 "The Europcar Mobility Group's network".

Franchise arrangements have provided the Group with a cost-effective route to expand into small and medium-sized businesses in local, regional and international markets. The franchise network changes in accordance with any franchise buyouts, the performance of franchisees and the market in which they are situated, as well as the policy for extending the network.

The Group continues to expand its network (i) by adding new franchisees in the few countries in which it has a limited or does not have a presence and (ii) by developing its service offering under the Europcar® brand to allow Group franchisees to better address market needs. The current focus of the Group's international network expansion includes large markets in Latin America, the Indian subcontinent, Middle East and the Asia-Pacific region.

The Group is also developing its InterRent® franchise network, with franchises in place in 35 countries as of December 31, 2019, around the Mediterranean basin but also with the aim of strengthening the brand's presence in other European countries and in the Middle East. 2020 will see the InterRent openings in Latin America with targets including Mexico, Costa Rica, Panama and Argentina. The Group also intends to expand into more European countries (Netherlands, Ukraine).

Management of the franchises

The Group manages its franchise network based on a regional approach, with regional Directors and with annual global and regional franchise conferences and also through business plans that help franchisees to manage their business and ensure they are performing in their own markets.

2019 has seen the amalgamation of the Buchbinder and Goldcar franchise Business Unit teams into the International Coverage franchise team, providing one coherent group approach to franchising all our brands around the world. 2020 will see the Goldcar openings mainly in Europe (Cyprus, Malta, Poland) and Latin America (Mexico, Guatemala). Global will also expand its presence around the globe with openings in Africa (South Africa, Mauritius) and strengthen its Central Europe implementation (Estonia, Latvia, Lithuania, Malta, Azerbaijan).

Compliance with the terms of the Group's franchise agreements and the uniformity of service quality across the network are controlled through informal visits to franchisee locations and through regularly scheduled audits by the Group's Internal Audit Department. Regional franchisee conferences are held on an annual or semi-annual basis to establish best practice guidelines and to promote inter-regional and intra-company business within the Europcar network.

The Group supports the promotion of the brand image by franchisees through:

- local marketing with advertising assistance and resources;
- corporate branding material and signage;
- structuring of services offered;
- partnerships with airlines and hotels;
- access to loyalty card programs to increase customer fidelity; and
- expansion of product range for services offered to drivers, the Vans & Trucks segment and the Ubeeqo technology platform.

Franchisees share the costs associated with these brand initiatives.

The Group has implemented initiatives aimed at further integrating franchisees, including information via an intranet platform and monthly newsletters.

The Group also seeks to encourage cross-border sales between franchisees and directly operated stations. It also aims to build on its franchise network to increase inbound and outbound flows as part of the development of general sales agency arrangements worldwide.

Characteristics of franchise operations

Franchisees operate using their own fleet and employees and have the exclusive right to use the Group's brand under license for specified services and for a predetermined brand. Franchise agreements generally cover a specific portion of a country (e.g., a region or a city) or the entire country, in which case each franchisee may operate directly or through sub-franchise or agency agreements between it and third parties.

Franchisees initially pay an entrance fee, and, upon renewal of their contracts, a territory fee, for the exclusive right to use the franchise rights in the area covered by the agreement for the agreed services and brands. The franchisees pay royalties representing a percentage of the revenue generated by the vehicle rental operations, a reservation fee based on the number of reservations made through the Group's reservation system and, if applicable, a fee to use the Group's IT systems. Franchisees are required to send monthly results to the Group, which form the basis of the calculation of royalties. In return for the payment of fees and royalties, franchisees benefit from the Group's expertise, access to its reservation system, worldwide network, international brand, customer base and information technology systems. Royalties and fees paid by the EMobG network (Europcar, InterRent, Goldcar, Global Uropcar) franchise in the Corporate Countries and in the franchised countries amounted to €55.2 million for the year ended December 31, 2019, of which €39.7 million were received by the Group in the franchised countries (compared with €39.7 million for the fiscal year ended December 31, 2018 – see Section 3.1.2.2 "Analysis of Group results", (A) "Revenue"). Except in a very limited number of cases, franchisees are exclusive to the Europcar/InterRent/Goldcar network, meaning that they agree not to work with any other vehicle rental group or to operate a vehicle rental business under their own name for the duration of the franchise agreement. Most of the franchise agreements concluded by the Group provide that when a Europcar network customer makes a reservation relating to the territory of a franchisee, that customer becomes a customer of the said franchisee.

Franchisees hold (or rent from third parties) and finance their fleet independently from the Group. Franchisees may benefit from agreements with buy-back commitments signed at the Group level, but are free to conclude their own fleet supply agreements with automobile manufacturers. Franchise contracts provide that franchisees are required to respect the Group's fleet standards (mileage, maintenance, safety etc.). In order to ensure that franchisees respect the Group's standards, an exhaustive review of their fleet is realized based on operating data (mileage, holding period) and, through sampling, a physical verification of the fleet is carried out during visits of rental stations operated by franchisees.

In general, the Group's franchise contracts do not permit the franchisee to terminate the agreement prior to the expiration of the agreed term. In most cases, local franchisees are entitled to be indemnified by the Group (either pursuant to applicable law or under the terms of the franchise agreement) should the franchise agreement be terminated by the Group before the expiration of its term. The Group retains the right in most cases to terminate a franchise agreement in the event the franchisee fails to meet its contractual obligations, notably payment of royalties and fees, or takes actions that risk damaging the Group's brand and reputation. Franchisees may generally also terminate the agreements concluded with the Group in the event of a material breach of the agreement by the Group.

1.6.5.4 The Group Alliances Department

The Group has entered into commercial cooperation agreements with certain entities in order to benefit from commercial synergies in various countries. These agreements allow the Group's customers to be served in certain locations while also increasing in-bound flows. Revenue generated by strategic partnerships represented less than 1% of the revenue generated by the Group's rental activities in 2019, unchanged from 2018.

At the date of this Universal Registration Document, the Group had entered into four commercial cooperation agreements allowing its customers to access its services in Canada through an agreement entered into with Discount Car and Truck Rentals Ltd in October 2013, in Japan via an agreement signed in September 2006 with Times Car and in China via an agreement signed on January 12, 2017 with one of the leading car rental firms in China, Shouqi Car Rental. The partnership with Shouqi Car Rental was entered into in order to benefit from the growing flow of Chinese tourists worldwide – and in particular in Europe – and to give Europcar's customers access to one of the leading car rental networks in China.

The partnership between Europcar and the Chinese Shouqi Car Rental group ("Shouqi") came into effect on January 12, 2017, and has been extended every two years since. In return for a commission on the volume generated, it allows the Group to service its customers in China under its Europcar® brand via the Shouqi network. Reciprocally, it allows Shouqi to service its clients under its own brand, via the Europcar network, in regions where the Group operates. This alliance allows the Group to extend its proprietary network and improve its services for its customers in China.

Pursuant to the agreement with Discount Car and Truck Rentals Ltd, the partners seek to expand both the corporate and the leisure and business segments in Canada.

The Group has had an exclusive long-term partnership with Times Car Rental (previously Mazda Car Rental) since 2006, through which it seeks to benefit from commercial synergies and offer cross-border services. Times Car Rental is a leading Japanese car rental company with a rental fleet of approximately 29,000 vehicles and over 438 rental stations throughout. Times Car Rentals is also the leading provider of car parking spaces in Japan and supports this cross-border business with the Group in Japan, both in terms of vehicle rental and mobility solutions (with the growing trend of autonomous vehicle use).

The Group has most recently entered into a partnership in India in December 2018 with ECO Rent A Car for both self-drive and chauffeur services within India under the Europcar brand, and allowing ECO to service its own clients under the ECO brand via the Europcar network, in regions where the Group operates. ECO Rent A Car has been India's leading professional car rental since 1974, based in New Delhi. It offers a 5,000+ vehicles fleet across all categories and transports a number of 50,000 passengers every day. With its services spread across another 60 cities across India, ECO is shaping the sphere of mobility with continuous investments in the latest fleet, a customer-centric team and a best-in-class user-friendly technology.

1.6.5.5 The Regional Sales/General Sales Agents Department

A key part of the Group's sales strategy is the development of its network of general sales agents. The Group strives to enter into commercial and general sales agency arrangements in countries where it has limited or no presence, in order to ensure significant commercial presence in such countries and to benefit from the travel flows from the United States and emerging countries to Europe, Australia and the wider Europcar network. General sales agents (GSAs) sell the Group's services, in exchange for a commission. All costs related to running the GSA's business are the responsibility of the GSA, including among others, insurance, rent, general office expenses as well as any travel within the country or region needed to promote or sell the product.

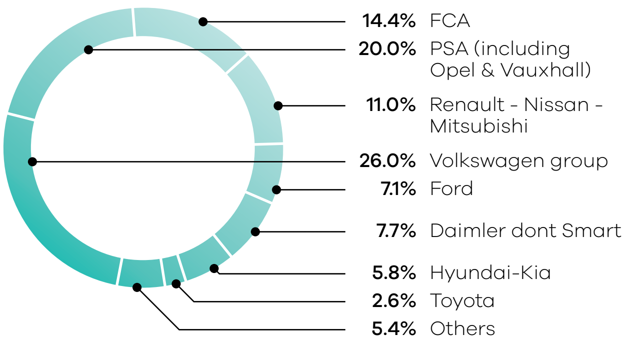
At the end of 2019, a total of 36 GSAs had been appointed worldwide, including in Asia, North/South America, Middle East, Africa and Europe. To further grow cross-border sales the Group has started to appoint GSAs in business markets and is now present in Belgium, Ireland, UK, France and Germany. Existing agreements with the Group's GSAs, in particular in China, Hong Kong, Canada, Dubai and Abu Dhabi continue to allow the generation of strong performance.

1.6.6 The Group's fleet

Unless otherwise indicated, this Section relates solely to the fleet operated directly by Europcar Mobility Group under the Europcar®, Goldcar® and Buchbinder® brands, and not to the fleet owned by Ubeeqo and E-Car, nor that operated by franchisees and independently owned (or leased from third parties) (for more information about the franchisee fleets, see "Characteristics of franchise operations" under Section 1.6.6.3 "the Group franchise Department").

The EMG fleet is sourced from various manufacturers, including Volkswagen (with the Volkswagen®, Audi®, Seat® and Skoda® brands), Fiat, Renault-Nissan, PSA (Peugeot®, Opel®, Vauxhall®, Citroën®, DS®), Daimler (Mercedes®, Smart®), Ford, BMW and Toyota. Volkswagen AG was Europcar's largest supplier of vehicles in 2019. The Group currently uses more than 300 different models provided by 18 different car manufacturers.

The following chart illustrates the diversity of the Group's fleet in terms of deliveries by manufacturer (expressed as a percentage of total acquisitions by the Group) for the year ending December 31, 2019.



Source: Company.

The diversity of the Group's fleet allows it to respond to the rental demands of a broad range of customers. It is made up of eleven main categories of vehicles in line with the sector's standards – mini, budget, compact, medium, standard, sedan, premium, luxury, vans, trucks and convertible cars. The fleet varies by brand, with a fleet offered for rent under the Europcar® brand covering the full range of vehicles (from the mini category to the Selection category, comprising "prestige" and "fun" vehicles), and the fleet offered for rent under the Goldcar® brand corresponding to the most frequently requested types of vehicles in the medium or low-cost segment. The Goldcar® offer is thus limited to four categories: mini, economy, compact and intermediate.

The Group believes that Europcar is one of the largest purchasers of European vehicles and the largest in the European vehicle rental industry. During the year ended December 31, 2019, the Group took delivery of approximately 383 000 vehicles and operated an average rental fleet of 334,000 passenger and light commercial vehicles. The breakdown between passenger and light commercial vehicles was as follows in 2019: 87% of passenger vehicles and 13% of light commercial vehicles. For the year ended December 31, 2019, Europcar's approximate average vehicle holding period was 9.7 months (8.3 months for vehicles covered by buy-back or lease agreements). Some of the sourcing agreements with manufacturers allow Europcar's franchisees to benefit from the terms and conditions of these agreements, including the buy-back provisions. For more information on buy-back programs with carmakers, see Section 1.6.6.3 "Vehicle buy-back commitments".

The following table provides a breakdown of the Group's average rental fleet* by Corporate Country between the "cars" and "light commercial vehicles" categories for 2019:

Corporate countries	Cars	Light Commercial Vehicles
Germany	88%	12%
UK	86%	14%
France	76%	24%
Italy	92%	8%
Spain	91%	9%
Australia – New Zealand	94%	6%
Belgium	92%	8%
Portugal	90%	10%
Ireland	82%	18%
Denmark	74%	26%
Buchbinder	67%	33%
Goldcar	100%	0%
Luxembourg	97%	3%

Source: Company.

1.6.6.1 Fleet management

In addition to negotiating the acquisition of fleet vehicles from manufacturers, the Fleet Department is involved in the process of planning and the geographical deployment of vehicles, vehicle in-fleeting and de-fleeting, and the monitoring of the fleet utilization rate.

The Europcar fleet is managed with a view to optimizing costs. This management includes economic depreciation, acquisition and disposal costs, maintenance and repair costs, taxes and financing costs, according to a set of pre-defined needs and constraints, including marketing needs, the maximum movements of the fleet (which means the maximum quantity of vehicles that can join the fleet or leave it during a given period) and the supply capacity from a single manufacturer. The Group is able to respond to seasonal fluctuations in demand through continuous optimization of fleet management. Through its daily management, the Group is able to adjust its fleet size by modifying acquisition plans and/or holding periods to meet both expected and unforeseen variations in demand. Through its flexible contracts with vehicle manufacturers, the Group can increase its orders for vehicles in advance of high season and use the flexibility of the holding periods, ranging generally from five to ten months to de-fleet the vehicles once demand is less pronounced. The Group is also able to react rapidly to geographical changes in demand by re-directing the delivery of new vehicles to sites where demand is especially strong.

The Group's fleet utilization rate remained flat at 76.0% in 2019 against the backdrop of a significant increase of the average rental fleet to 328,016 vehicles excl. Urban Mobility (a 3.8% increase with respect to 2018) Although the Group believes that its utilization rate is close to the optimum rate achievable in the industry, it continues to regularly study ways to improve it in each of the Corporate Countries and for the various brands it operates.

The Group calculates its fleet utilization rate as the percentage of the total actual rental days of the fleet out of the theoretical total potential Number of Rental Days of its fleet of vehicles. The theoretical total potential number is equal to the number of vehicles held over the period, multiplied by the total number of days over the period.

The Group operates central logistics centers for in-fleeting and de-fleeting of vehicles, including car parks at various locations, typically airports, in the Corporate Countries. From these locations, vehicles are either transported by logistics companies or driven to the rental station where they are needed.

1.6.6.2 Fleet sourcing and planning

The fleet sourcing and planning processes are supervised locally by the Fleet Department of each Corporate Country. Purchase contracts are negotiated depending on the manufacturers, either at country or international level. The annual or multi-year agreements define the acquisition and disposal terms and the volumes of vehicles and model mix to be acquired over the contractual period. Almost half of the volumes purchased by the Group are purchased through pan-European agreements. The Group also relies on its local teams to negotiate local agreements and maintain sufficient flexibility to benefit from spot deals.

The Group considers at-risk purchases when appropriate, based on its systematic analysis of at-risk purchases versus buy-back mechanisms. To that end, it takes into account the choice of models and their options as well as used vehicle market dynamics and its capacity to absorb resale volumes.

Purchase contracts for the coming year are generally concluded at the end of each calendar year, in order to anticipate market trends, and are readjusted monthly throughout the year to ensure maximum responsiveness to market demand. The Group is therefore able to adapt its fleet capacity to rental market demand.

The Group recognizes its entire rental fleet in the balance sheet as from January 1, 2019, in accordance with the application of IFRS 16. Operating leases for 2018 are still recognized in the off-balance sheet. The following table summarizes the Group's fleet asset and financing (1) structure:

<table>
<tr><th></th><th>Rental fleet</th><th colspan="2">Fleet financings</th></tr>
<tr><th></th><th>Assets</th><th>Liabilities</th><th>Type of facility</th></tr>
<tr><td rowspan="6">On balance sheet</td><td rowspan="3">Fleet Asset (2)</td><td rowspan="6">Fleet financing debt</td><td>€1.7bn Senior Asset Revolving Facility (SARF)</td></tr>
<tr><td>€500m Fleet Bond</td></tr>
<tr><td>£400m UK Fleet Financing Facility</td></tr>
<tr><td rowspan="3">Fleet working rapital requirement related to purchasing commitments</td><td>Other fleet financings (Portugal, Australia/New Zealand, Denmark, Buchbinder, United states, Finland, Norway, Ireland)</td></tr>
<tr><td>€650m Revolving Credit Facility (RCF)</td></tr>
<tr><td>Operating lease rent liabilities (under IFRS 16)</td></tr>
</table>

Source: Company.

The Group finances the acquisition of the vehicles in its fleet by various means, in particular through asset-backed financing (see Section 3.2 "Liquidity and capital resources" and Note 2 "Significant accounting policies", Section 2.10.1 "Rental fleet", paragraph (i) "Vehicles purchased with a manufacturer or dealer buy-back commitment" in the consolidated financial statements included in Section 3.4 of the Universal Registration Document). The Group benefits from a flexible asset-backed financing structure with loan to value ratio (i.e. the indebtedness of FCT Sinople, senior portion, and of EC Finance Plc divided by the total value of the net assets on the balance sheets of the Securitifleet and Goldfleet companies) of 92.4% as at December 31, 2019 (compared with 92.4% as at December 31, 2018).

The diversity of financing available to acquire the fleet vehicles allows the Group to limit the impact of such acquisitions on the Group's cash flows. See Section 3.2 "Liquidity and capital resources".

1.6.6.3 Vehicle buy-back commitments

Europcar Mobility Group acquires, subject to availability, a majority of its vehicles pursuant to various fleet purchase programs established with the manufacturers. Under these contractual programs, Europcar Mobility Group purchases vehicles from vehicle manufacturers or dealers. These manufacturers or dealers undertake, subject to certain terms and conditions, to grant Europcar Mobility Group the right

(1) Note that the presentation of operating leases in the off-balance sheet has evolved with the application of IFRS 16 since January 1, 2019, which requires the inclusion in the Balance Sheet of leases meeting this standard See Note 2.2 of the consolidated financial statements presented in Section 3.4 of this Universal Registration Document for more information.
(2) Including rights of use pf vehicles under leases (under simple standards as per IFRS 16 criteria).

to sell those vehicles back to them at a pre-determined price during a specified time window (after which the repurchase transaction is automatically triggered if it has not already occurred). Vehicles purchased by vehicle rental companies under a buy-back commitment are referred to as buy-back vehicles. The minimum buy-back period under these buy-back commitments generally varies from five to 10 months for passenger cars and from six to 24 months for light commercial vehicles.

Repurchase programs limit Europcar Mobility Group's potential residual risk with respect to vehicles purchased under the programs, allow Europcar Mobility Group to arrange financing on the basis of the agreed repurchase price and provide Europcar's fleet managers with flexibility to respond to changes in demand. In addition, the high percentage of buy-back vehicles in Europcar's fleet allows the Group to be less dependent on the used car market. These programs operate to the benefit of the car manufacturers as well, since the return of the vehicles to them within a short time period enables them to resell the vehicles quicker through their dealership networks as newer models.

The visibility and flexibility conferred by the Group's buy-back strategy are important. The Group has long been committed to maintaining a high rate of fleet purchases in units acquired under buy-back commitments. On average, the Group estimates that more than 90% of the vehicles purchased over the past 10 years were covered by buy-back commitments.

In 2019, despite the development of its Low Cost activity, 86% of the Europcar fleet (in units in circulation) was covered by buy-back commitments versus 87% in 2018.

1.6.6.4 "At-risk" vehicles

Europcar Mobility Group acquires a number of vehicles from carmakers or dealers without the benefit of any buy-back commitment. These vehicles fall under the category of "at-risk" vehicles. See Section 2.2.4 "Risks related to the Group's holding of vehicles not covered by buy-back agreements".

The Group considers "at-risk" purchases according to its needs, based on a systematic analysis of at-risk purchases versus buy-back mechanisms. It takes into account the mix of models that it needs as well as its ability to resell "at risk" vehicles, particularly in relation to the changes in the second-hand market. Europcar Mobility Group disposes of "at risk" vehicles through a variety of channels, including sales to individuals, wholesalers, brokered retail sales and auctions. To meet market demand, Europcar Mobility Group has set up an electronic platform for online sales: www.2ndmove.eu.

As at December 31, 2019, 14% of at-risk fleet passenger cars were diesel versus 25% in 2018 (38% in 2017). Vans and trucks are nearly all diesel-powered.

Despite falling sales of new diesel-powered vehicles, the second-hand market for diesel vehicles remains active, with only a limited impact on the residual values of small diesel vehicles.

In 2020, as in 2019, the Group strategy is to avoid the purchase of diesel passenger cars as much as possible.

1.6.6.5 Maintenance

Europcar Mobility Group arranges for each vehicle to be inspected and cleaned at the end of every rental and to be maintained according to the manufacturer's recommendations. Europcar Mobility Group must follow the maintenance specifications of the manufacturers in order to maintain the warranty and repurchase commitment on the vehicle. Europcar Mobility Group operates vehicle maintenance centers at certain rental stations in the Corporate Countries. These centers provide maintenance and light repair facilities and monitoring and processing of more seriously damaged vehicles for which repairs are handled by specialized bodywork and/or mechanical companies. The objective is, on the basis of detailed appraisals, to optimize repair costs and lead times in order to limit the impact on the use of the vehicle. For the most badly damaged vehicles, the choice is made between repairing the vehicle or selling it in its current condition.

1.6.7 Suppliers

This Section presents the items relating to the Group's suppliers and the purchase volumes (called "non-fleet purchase costs"), but excludes items relating to the acquisition, registration and insurance of the fleet, which are presented in Sections 1.6.6 "the Group's fleet" and 2.6.3 "Insurance" of this Universal Registration Document.

The Group's cost of purchases excluding fleet and taxes[(1)] is, on average, approximately one quarter of the Group's total consolidated annual revenues. This cost is broken down as follows:

- 40% related to indirect purchases or overheads (IT and telecommunications, call centers, real estate and maintenance of the station network and its installations at an operating capacity, sales and marketing, communications and advertisement, office supplies, uniforms, consulting and services);
- 60% related to direct purchases related to customer service and the maintenance of the Group's fleet in operating condition, as well as making the fleet available (maintenance and repair, intense repair services following accidents, preparation and cleaning services, transportation services for the geographic redistribution of the fleet according to the needs of the Group's customers).

(1) Expenses for goods and services incurred by the Group's directly-operated rental stations only, excluding stations operated by agents or franchisees.

The Group's operating needs are processed either by the Group's purchasing Department, for some major projects, mainly IT/Digital or even Marketing, oron a country-by-country basis with an annual average volume of expenses generally proportional to the country's share in the Group's annual consolidated revenue. As a result, the Group has relationships with a multitude of suppliers (currently, taking into account 2017 acquisitions, around 27,000 active suppliers each year) for a very broad range of categories of products and types of services. In particular, the share of value-added services relating to labor-intensive activities is close to 50%.

The non-fleet purchasing Department has identified three strategic priorities for purchasing in the coming years:

a) Operational excellence, with the launch of a P2P (Purchase-to-Pay) solution playing a key role.

This solution aims to provide full transparency on the nature and volume of both operating purchases and those directly linked to customer services, to facilitate the engagement process while ensuring control, to identify opportunities for Group-wide purchasing economies of scale and to enhance the flexibility of Supplier Accounting within the Shared Services Center. This year, the P2P processes will be revised and aligned within the Group.

b) Corporate Social Responsibility (CSR)

In application of the Sapin 2 law, a CSR strategy based on the analysis and control of supplier risks has been defined and implemented since 2017. The aim is to bring all Group partners into compliance with the Company's Ethics Code. The procedure will also help streamline the Group's panel of suppliers;

c) Sourcing strategy

The Group continues to move from a country-by-country or service-by-service purchasing system to a system in which categories of purchases are managed together, allowing the Group to benefit from economies of scale and common tender submissions for multiple countries. 2017 was the year of Group IT purchasing developments. 2018 saw the emergence of Professional Services and Marketing/ communication Group purchasing and in 2019, the purchasing departing continued its transformation with the arrival of a Group Head of MRO (Maintenance Repair and Operations) purchasing.

1.6.8 Product and Technology division

Technology is a vital part of our ability to attract, engage with and serve our customers, and to stand out from the competition. To step up this digital transformation, the Group decided to reorganize the Information Systems division into two departments reporting to the Chairwoman: the Product Department and the Technology Department. These two departments aim primarily to maximize value creation by rolling out new digital solutions, designed and developed by the Group's teams. They are also responsible for service continuity in an environment of strong growth and risk prevention (legal, normative, obsolescence, security and performance risks). This reorganization goes hand-in-hand with centralization at managerial and budgetary level to maximize synergies between the technological hubs across the various Business Units.

The acceleration of the digital transformation entails continued investment in a number of fundamentals detailed below.

1.6.8.1 The organization of development teams

Development teams have been reorganized by partly applying Agile and Lean methodology principles. The main changes include:

- establishing multidisciplinary product teams (business, design, development, tests), preferably co-located, stable in size and composition, with a specific and limited area of expertise, with decision-making autonomy regarding the solutions to be implemented to meet the strategic initiatives defined by the Group. Accordingly, 31 teams have been created to date to cover the Europcar, Ubeeqo, Goldcar and InterRent brands. Buchbinder will be integrated in 2020.
- the establishment of cross-functional teams serving the product teams to empower them in a number of cross-cutting business areas, including: integration and deployment, security, data, methodology, development languages and architectures. These horizontal teams also safeguard the consistency of the overall vision, contribute to sharing best practices and contribute to improving the teams' skills.
- the introduction of 15-day short development cycles called "sprints" to deliver added value regularly and frequently;
- the use of prioritization methodologies ("Objectives and Key Results" methods and ICE) to focus the teams' efforts on tasks with the greatest added value for the Group;
- the roll-out and industrialization of collaboration tools (Slack), knowledge management tools (Notion), development task monitoring tools (Jira), roadmap viewing tools (Roadmunk), etc;
- the strengthening of design teams to maximize the user experience, both for customer users to reinforce their commitment and recurring use of our brands, and for employees or partners to automate highly repetitive and low added-value tasks.

1.6.8.2 Architecture

1.6.8.2.1 The GreenWay® system

The Europcar® brand information system is built around the centralized GreenWay® application, which offers an integrated solution that can handle all the functional needs of the vehicle rental business: customer management (individuals and companies), pricing management, fleet management, management of reservations and distribution systems, management of station rental operations and billing services. The proprietary system was designed specifically for Europcar's vehicle rental business and was first implemented in 1994.

GreenWay® operates a highly scalable architecture (Java/Linux) which allows more than up to 22,500 simultaneous sessions (users or applications). Today, the system manages more than thirteen million reservations and nine million rentals on a yearly basis. More than 15,000 people are GreenWay® users and most of them are located in the 1,633 stations of the Europcar network. Around 383,000 vehicles are continuously monitored by the system in order to optimize fleet utilization. The full functionality of the Greenway® system is available around the clock at the headquarters and rental stations of 10 of our Corporate Countries as well as at our franchisees in Switzerland and Austria. The majority of the Europcar network's franchise sites are linked to GreenWay® for reservations.

In order to support its transformation within Europcar, the Group launched a plan named "Greenway Transformation", which aims to separate Greenway's various functional areas to facilitate the product development teams' independence and the integration of applications developed by third parties. A number of key architectural principles underpin this plan, such as APIzation (i.e. implementing integration layers around systems to enable their intercommunication and greater modularity), the deployment of microservices, the gradual use of the Cloud, and the strengthening of information gathering and monitoring.

1.6.8.2.2 Other IT applications and systems

The other applications and systems used by the Group are mainly Oracle Financials for financial and accounting management, Salesforce for customer relations and B2B sales management, and Datawarehouse for the enhanced analysis of all the Company's data.

The Group also uses collaborative cloud computing solutions such as Google G Suite for office needs. Cloud solutions (Amazon Web Services and Google Cloud Platform) are also being implemented as part of the digital transformation of the business (such as connected cars, keyless access to cars, mobile applications and social media leveraging).

Buchbinder built its information system around two key applications: BubiRent and CLFleet. BubiRent handles customer management, the offering, reservations, operations and billing. CLFleet is in charge of fleet and vehicle management and operations related to maintenance and damage. These two applications, developed specifically by Buchbinder and its main local supplier GFH, run on redundant infrastructure used by all branches of the Buchbinder network and their franchises or subsidiaries.

Goldcar has built its information system around three main applications: SIGGER, SARG and SAP. SIGGER handles customer management, the offering, fleet, operations and billing. SARG handles multi-channel reservation management and SAP handles the financial component. These two applications, developed specifically by Goldcar's internal teams, run on redundant infrastructure used by all branches in the Goldcar network and by their franchises or subsidiaries.

InterRent® is operated on Goldcar information systems for Corporate Countries, on Buchbinder information systems for Germany and on Rentway for franchisees. Rentway is externalized and based on a system operated on a SaaS (Software as a Service) basis.

1.6.8.2.3 Alignment of Group systems

Since 2019, the Group has undertaken an ambitious plan to align its systems. This alignment has several objectives:

- streamlining technical investments within the Group;
- sharing best practices among the various entities;
- standardizing the customer journey across the Group's different brands, thus ensuring better customer satisfaction and greater commercial potential.

The plan to align the systems will be implemented on a stage-by-stage basis over a four-year period (aiming for completion in 2023). The plan's implementation will involve several dimensions:

- technical dimension: alignment of the systems, tools and methodologies;
- organizational dimension: alignment of the countries and franchisees, and of the Group's brands and Business Units.

In 2020, we can mention in particular the integration plans of the Buchbinder and Fox Rental Car subsidiaries, as well as the first deployments of Group solutions aimed at meeting the needs of all its brands (single website solution, Group Datawarehouse, Group HR IS solution, etc.).

1.6.8.3 Integration and continuous deployment

Integration and continuous deployment are essential for the Group's digital transformation, as they allow the accelerated and reliable release of new developments and thus ensure an improved industrialization of software delivery processes. In 2019, the Group launched several projects aimed at improving development and production launch methods, relying in particular on the expertise of Ubeeqo and Goldcar entities in these areas. These projects will continue in 2020, in particular with:

- the "Everything as a Code" approach;
- the shift of the Group's applications to the Cloud;
- the automation of quality and security tests at the earliest stage of the development cycle;
- the automation of production roll-out;
- the widespread use of "feature flag/flipping".

As part of this pursuit of productivity in its Product & Technology organization, the Group has established two key performance indicators (KPI) to monitor its IT activity, which consist of the number of production launches per period across all of its systems, and the average launch time for a Code completed by a development team.

1.6.8.4 Quality and security

Significant safety measures are in place to ensure the security of Europcar's systems, applications and data (and that of its customers).

Careful attention is paid to security systems and the protection of proprietary data against destruction, theft, fraud or abuse. 24-hour operational systems provide protection against, among other threats, computer viruses, spam, phishing and denial of service attacks, as well as against robot price grabbing through the use of captchas.

Most Europcar® brand systems, including GreenWay®, the websites, Oracle Financials and the Datawarehouse, are operated on a proprietary infrastructure, centralized in two production centers running simultaneously all round the clock. Each center runs infrastructure capable of delivering the entirety of the software services used in production on its own and provides full real-time physical duplication of production data. These production centers are located near Paris, France, and comply with the following minimum safety rules: a distance of 30 and 60 kilometers between the two centers, independent and multiple electric power supplies, redundant cooling systems, and double electric power supplies for all computer equipment. The objective is to maintain at least 99.98% up-time for each of the centers.

The Group periodically verifies its disaster recovery plan by carrying out annual unit tests for Group applications, and by carrying out a large-scale test of one of the two production centers. Each of the simulation tests is covered by a report entailing, if need be, the implementation of an improvement plan.

Buchbinder's critical BubiRent application runs mainly on its own infrastructure operated locally and with built-in redundancy in two Buchbinder buildings located some distance away from each other. Data are backed up in real time between the systems and the two rooms. Server rooms have redundant electricity supplies and network paths from different suppliers. Some applications external to BubiRent are nevertheless hosted outside of this infrastructure (in particular the fleet management system). The goal is to quickly align the hosting of these applications to have a consistent model for the entire Buchbinder information system.

The Goldcar systems run on their own infrastructure in two production centers running independently around the clock. Both centers can deliver all production application services and data are backed up in real time. These centers are located in Spain and are more than 100 km apart. The business continuity plan is tested annually using full-scale checks and improvement plans drawn up in response where necessary.

1.6.8.5 The "Data" plan

In 2019, the Group decided to focus on its data processing.

Data, the new black gold of our organizations, lies at the heart of all Group processes and only a culture deliberately geared towards better data collection (in strict compliance with legal requirements), along with better information analysis and use, will enable the digital transformation that the Group started this year.

Several initiatives were started at the end of 2019 and will be rolled out in the next two years:

- the establishment of a Group DataWarehouse, providing a 360° overview of our strategic data;
- the creation of single Customer and Fleet databases enabling a better understanding of our customers, a more targeted marketing and sales approach, the optimization of our fleet, and better exchange processes between the Group's different entities;
- the implementation of an EPM (Enterprise Performance Management) solution enabling a better overview of our analytical dimensions and a better coordination of our financial, sales and operational activities.

The Group's strong "data" orientation requires not only technical solutions, but also the evolution of its culture so that each of its decisions and each of its business processes is underpinned by quantified, verifiable and quality information.

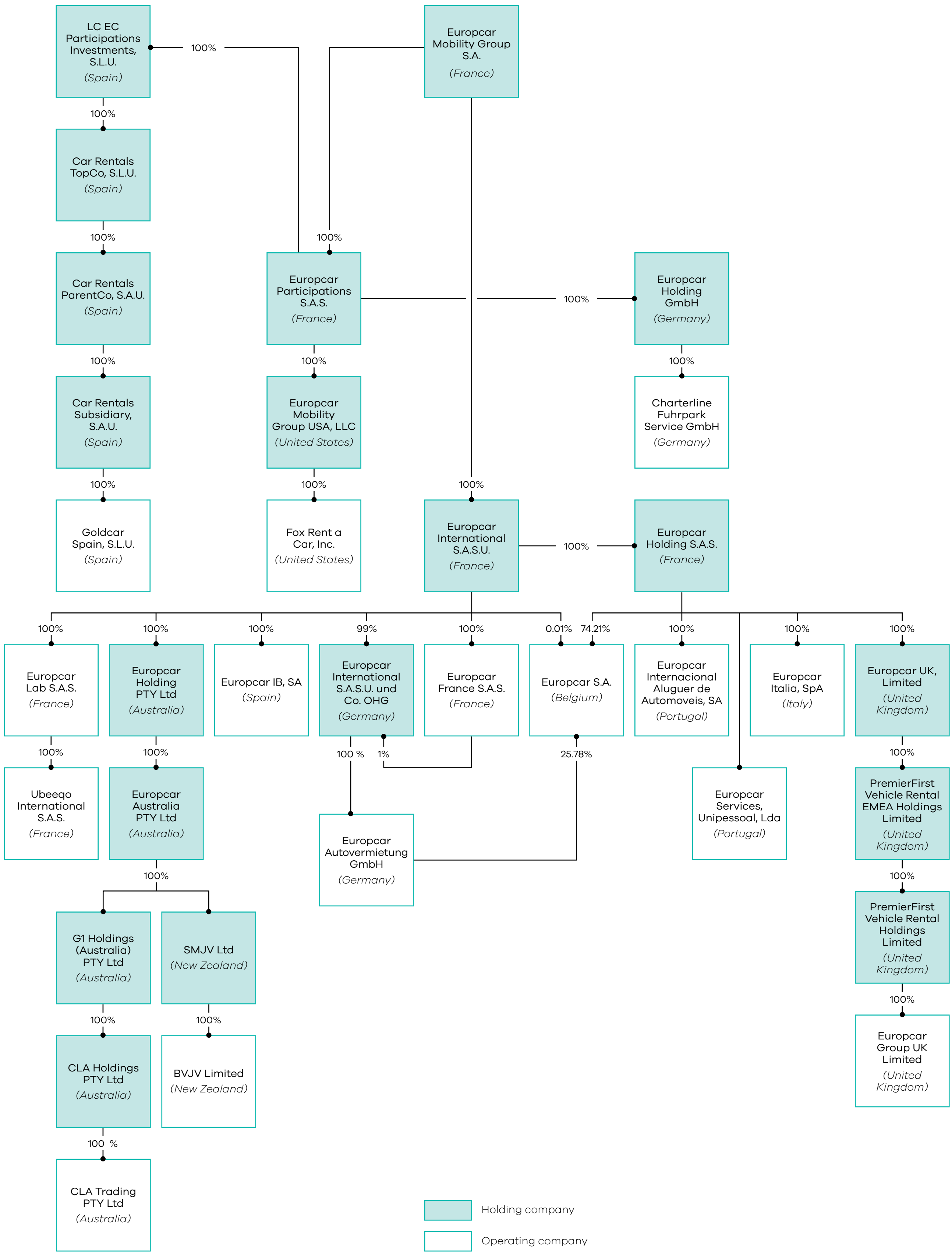
1.7 ORGANIZATION CHART

The Company, the Group's non-operational holding company, directly or indirectly holds all of the entities comprising the Group and as such lays down certain broad policies, for instance, determining the Group's strategy and the resources necessary for its implementation, as well as its commercial policy.

The Company assists its Corporate Countries through a number of support functions. On September 28, 2006, it concluded with Europcar International S.A.S.U. a services agreement pursuant to which the Company provides ECI with its know-how regarding fleet management, sales, marketing, communications, Human Resources management, accounting, finance, operations and legal services. In consideration for these services, the Company receives monthly payments from Europcar International S.A.S.U. For further information on this general service agreement, see Section 7.2.5 "General Services Agreement signed by the Company" of this Universal Registration Document.

1.7.1 Simplified Group organizational chart

The following chart presents the Group's legal organization and the percentage that Europcar Mobility Group S.A. holds directly or indirectly in the share capital and voting rights of its subsidiaries as of the date of this Universal Registration Document.



1.7.2 Subsidiaries and equity investments

1.7.2.1 Significant subsidiaries

The Company's principal direct and indirect subsidiaries are described below:

- **Europcar International S.A.S.U.** ("ECI") is a French single-shareholder simplified stock company (société par actions simplifiée), the registered office of which is located at 13 ter boulevard Berthier, 75017 Paris, France, and registered with the Paris Trade and Companies Register under number 542 065 305. The Company directly holds 100% of the share capital and voting rights of ECI. ECI's main role is as an operational holding company for the Group. It directly or indirectly holds the majority of the Group's subsidiaries and equity investments. At the date of this Universal Registration Document, ECI is the holder of some of the Group's principal trademarks, including Europcar®. It negotiates and manages the Group's international agreements and partnerships. It manages and operates the principal information systems;
- **Europcar Holding S.A.S.** is a French single-shareholder simplified stock company (société par actions simplifiée), the registered office of which is located at 13 ter boulevard Berthier, 75017 Paris, France, and registered with the Paris Trade and Companies Register under number 428 713 937. The Company indirectly holds 100% of the share capital and voting rights of Europcar Holding S.A.S. Europcar Holding S.A.S. directly or indirectly holds some of the Group's subsidiaries and centralizes the Group's finances;
- **Europcar France S.A.S.** is a French single-shareholder simplified stock company (société par actions simplifiée), the registered office of which is located at 2 rue René-Caudron, Parc d'affaires "Le Val Saint Quentin", Bâtiment L, 78960 Voisins-le-Bretonneux, France, and registered with the Versailles Trade and Companies Register under number 303 656 847. The Company indirectly holds 100% of the share capital and voting rights of Europcar France S.A.S. Europcar France S.A.S.'s principal business is short-term vehicle rental in France;
- **Europcar International S.A.S.U. & Co. OHG. OHG** is a German partnership, the registered office of which is located at 81 Tangstedter Landstrasse, 22415 Hamburg, Germany, and registered with the Hamburg Trade Register under number HRA83202. The Company indirectly holds 100% of the share capital and voting rights of Europcar International S.A.S.U. & Co. OHG. Europcar International S.A.S.U. & Co. OHG is the Group's holding company in Germany;
- **Europcar Autovermietung GmbH** is a German limited liability company, the registered office of which is located at 81 Tangstedter Landstrasse, 22415 Hamburg, Germany, and registered with the Hamburg Trade Register under number HRB42081. The Company indirectly holds 100% of the share capital and voting rights of Europcar Autovermietung GmbH. Europcar Autovermietung GmbH's principal business is short-term vehicle rental in Germany;
- **Charterline Fuhrpark Service GmbH** is a company incorporated under German law, whose registered office is located at Weidener Strasse 1, Regensburd 93057, Germany. It is registered in the Regensburg Trade and Companies Commercial Register under number HRB 6534. The Company indirectly holds 100% of the share capital and rights of vote of Charterline Fuhrpark Service GmbH. Charterline Fuhrpark Service GmbH's main activity is the short-term rental of motor vehicles in Germany;
- **Europcar UK Limited** is an English limited liability company, the registered office of which is located at James House, 55 Welford Road, Leicester LE2 7AR, United Kingdom, and registered with the Registrar of Companies of England and Wales under number 875561. The Company indirectly holds 100% of the share capital and voting rights of Europcar UK Limited. Europcar UK Limited is the Group's holding company in the United Kingdom;
- **Europcar Group UK Limited** is an English limited liability company, the registered office of which is located at James House, 55 Welford Road, Leicester LE2 7AR, United Kingdom, and registered with the Registrar of Companies of England and Wales under number 1089053. The Company indirectly holds 100% of the share capital and voting rights of Europcar Group UK Limited. Europcar Group UK Limited's principal business is short-term vehicle rental in the United Kingdom;
- **Europcar Italia S.p.A.** is an Italian single-shareholder stock company, the registered office of which is located at 32 Corso Italia, 39100 Bolzano, Italy, and registered with the Bolzano Trade Register under number 207101. The Company indirectly holds 100% of the share capital and voting rights of Europcar Italia S.p.A. Europcar Italia S.p.A.'s principal business is short-term vehicle rental in Italy;
- **Europcar IB S.A.** is a Spanish company, the registered office of which is located at Avenida del Partenon 16-18, 2a planta, Campos de las Naciones, Madrid, 28042, Spain, and registered with the Madrid Trade Register under number 5999. The Company indirectly holds 100% of the share capital and voting rights of Europcar IB S.A. Europcar IB S.A.'s principal business is short-term vehicle rental in Spain;
- **Goldcar Spain S.L.U.** is a Spanish company, the registered office of which is located at Carretera Valencia N-332 Km 115, Sant Joan d'Alacant, 03550, Alicante, Spain, and registered with the Alicante Trade Register under number B03403169. The Company indirectly holds 100% of the share capital and voting rights of Goldcar Spain S.L.U. Goldcar Spain S.L.U.'s principal business is short-term vehicle rental in Spain and Portugal;
- **Europcar Australia Pty Ltd.** is a Spanish company, the registered office of which is located at Avenida del Partenon 16-18, 2a planta, Campos de las Naciones, Madrid, 28042 Spain, and registered with the Madrid Trade Register under number B87929428. The Company indirectly holds 100% of the share capital and voting rights of LC EC Participations Investments S.L.U. LC EC Participations Investments S.L.U. is the Group's holding company for Goldcar's activities.

For a description of the Group's other consolidated subsidiaries, see Note 36 "Group Entities" to the 2019 financial statements included in Section 3.4 "Consolidated financial statements and Statutory Auditors' report for the fiscal year ended December 31, 2019" of the Universal Registration Document.

1.7.2.2 Acquisitions and disposals of subsidiaries in 2019

On May 31, 2019, the Group acquired its Norwegian and Finnish franchisees from Matti and Jussi Holopainen. Both companies have a strong presence in their respective national markets (No. 1 in Finland and No. 3 in Norway). The combined revenue of the two businesses was €58 million in 2018.

On October 31, 2019, the Group acquired the American company Fox Rent A Car, one of the largest independent players in the vehicle rental market in the United States. Fox Rent A Car operates a network of 21 corporate stations and more than 100 stations held by franchisees. The Company operates in 15 of the 25 largest American airports, with a fleet of about 18,000 vehicles. In 2018, Fox Rent A Car achieved revenue of about €214 million.

1.7.2.3 Equity Investments

As part of the development of its mobility strategy, in September 2016 the Group, through its Italian subsidiary Europcar Lab Italia S.p.A., acquired a 20% minority stake in the capital of Wanderio S.p.A., an Italian start-up company whose ambition is to offer, through a multimodal research and comparison platform, the best means of transport to get from point A to point B according to two criteria: price and duration.

During 2019, Europcar Lab Italia S.p.A. increased its stake in the capital of Wanderio S.p.A. from 69.16% to 91.8% by acquiring shares from existing shareholders. On December 31, 2019, Europcar Lab Italia S.p.A.'s stake in Wanderio S.p.A. increased to 91.83%.

1.7.2.4 EC Finance plc

EC Finance plc is an autonomous special-purpose financing vehicle formed in connection with the issuance of the EC Finance Notes, which are used to finance part of the Group's fleet. All of EC Finance Plc's common shares are held by TMF Trustee Limited, an English entity, in its capacity as trustee for a charitable trust established under English law. EC Finance plc has no material operations. The Company is deemed to indirectly control EC Finance plc, which is included in the Group's scope of consolidation. For more information on the EC Finance Notes, see Section 3.2.3 "Description of the financing as of December 31, 2019" of this Universal Registration Document.

1.7.2.5 Securitifleet and Goldfleet Entities

Securitifleet S.A.S.U., Goldfleet France S.A.S., Goldfleet Italy S.p.A. and Securitifleet S.p.A. are consolidated, and are respectively, 100%, 100%, 100% and 94% held by Securitifleet Holding S.A., which in turn is controlled by Sanne Capital Market (Ireland) Limited, an autonomous special purpose vehicle governed by Irish law:

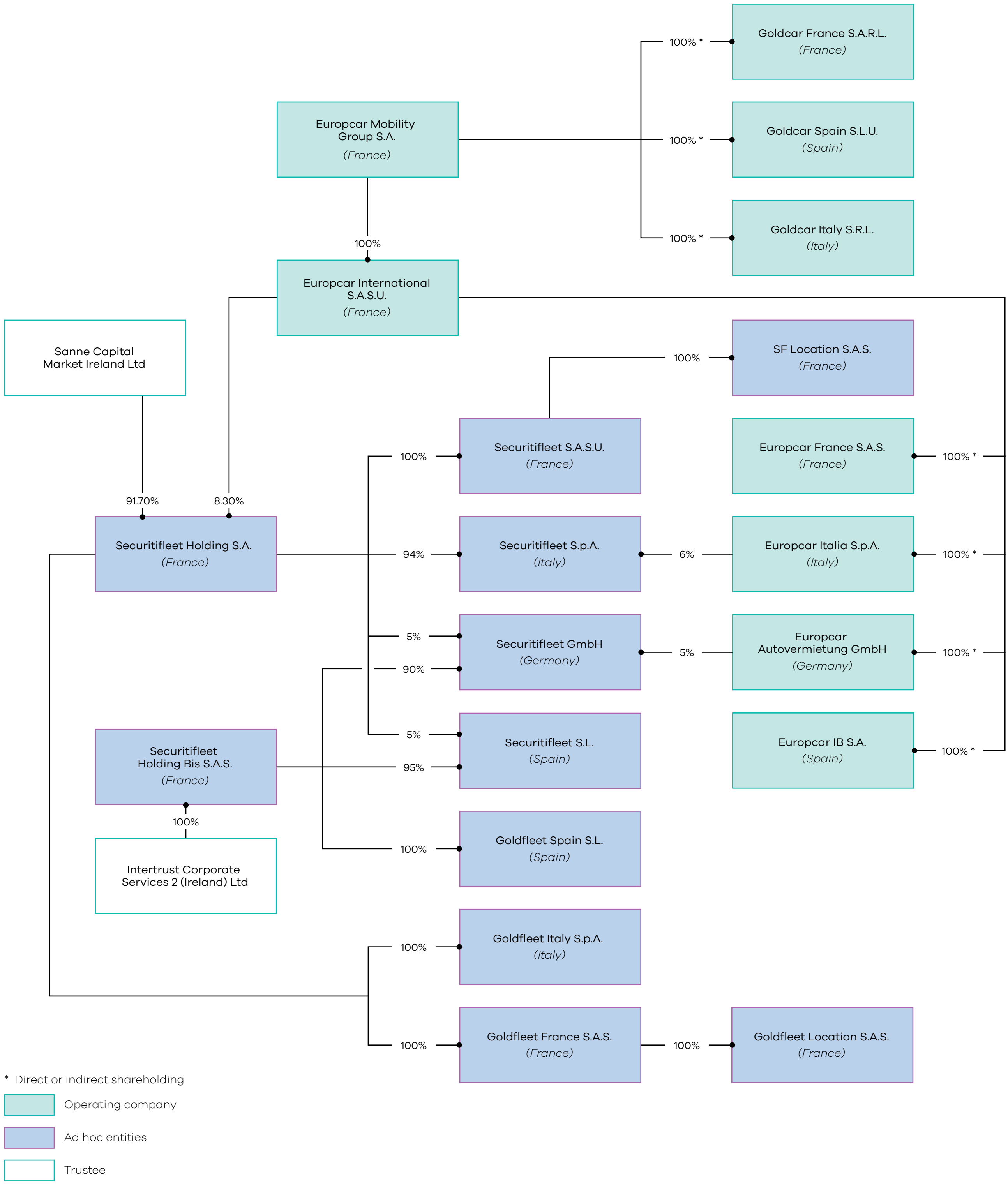
- **Securitifleet S.A.S.U.**, is a single-shareholder simplified stock company (société par actions simplifiée), the registered office of which is located at 57 avenue de Bretagne, 76100 Rouen, France, and registered with the Rouen Trade and Companies Register under number 443 071 816. Securitifleet S.A.S.U. is an autonomous special purpose company set up in connection with the Group's securitization structure and having as its sole purpose the acquisition and ownership of vehicles to be leased to Europcar France S.A.S.;
- **Goldfleet France S.A.S.** is a single-shareholder simplified stock company (société par actions simplifiée), the registered office of which is located at 57 avenue de Bretagne, 76100 Rouen, France, and registered with the Rouen Trade and Companies Register under number 839 096 997. Goldfleet France S.A.S. is an autonomous special purpose company set up in connection with the Group's securitization structure and having as its sole purpose the acquisition and ownership of vehicles to be leased to Goldcar France S.A.R.L.;
- **Goldfleet Italy S.p.A.** is an Italian stock company, the registered office of which is located at Via Alfred Nobel 18, Laives (BZ), Italy, and registered with the Bolzano Trade Register under number 02993600218. Goldfleet Italy S.p.A is an autonomous special purpose company set up in connection with the Group's securitization structure and having as its sole purpose the acquisition and ownership of vehicles to be leased to Goldcar Italy S.R.L.; and
- **Securitifleet S.p.A.** is an Italian stock company, the registered office of which is located at 32 Corso Italia, 39100 Bolzano, Italy, and registered with the Bolzano Trade Register under number 205586. Securitifleet S.p.A is an autonomous special purpose company set up in connection with the Group's securitization structure and having as its sole purpose the acquisition and ownership of vehicles to be leased to Europcar Italia S.p.A.

Goldfleet Spain S.L., Securitifleet S.L. and Securitifleet GmbH are, respectively, 100%, 95% and 90% held by Securitifleet Holding Bis S.A.S.U., itself controlled by Intertrust Corporate Services 2 (Ireland) Limited, an autonomous special purpose vehicle governed by Irish law:

- **Goldfleet Spain S.L.U.** is a Spanish limited liability company, the registered office of which is located at Carretera Valencia, km 115, Edificio Goldcar, 03550 Sant Joan d´Alacant (Alicante), Spain, registered with the Commercial Registry of Alicante and holder of Tax Identity Code B42572438. Goldfleet Spain S.L.U. is an autonomous special purpose company set up in connection with the Group's securitization structure and having as its sole purpose the acquisition and ownership of vehicles to be leased to Goldcar Spain S.L.U.;
- **Securitifleet GmbH** is a German limited liability company, the registered office of which is located at 81 Tangstedter Landstrasse, 22415 Hamburg, Germany, and registered with the Hamburg Trade Register under number HRB 91341. Securitifleet GmbH is an autonomous special purpose company set up in connection with the Group's securitization structure and having as its sole purpose the acquisition and ownership of vehicles to be leased to Europcar Autovermietung GmbH; and
- **Securitifleet S.L.** is a Spanish limited liability company, the registered office of which is located at C/Trespaderne, 19 Madrid, Spain, registered with the Madrid Trade Register, Sheet M (310,150), Book 17.955, page 92, and holding Tax Identification Code B83382549. Securitifleet S.L. is an autonomous special purpose company set up in connection with the Group's securitization structure and having as its sole purpose the acquisition and ownership of vehicles to be leased to Europcar IB S.A.

The above-mentioned Securitifleet and Goldfleet entities are included in the Group's scope of consolidation.

The following organizational chart sets forth the legal organization of the Securitifleet and Goldfleet companies at the date of this Universal Registration Document. For more details on the capital structure between the Europcar operating entities, the Goldcar operating entities and the Securitifleet and Goldfleet companies, please see the chart shown in Section 3.2.3 "Description of financing as of December 31, 2019".



1.8 RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

1.8.1 Research and development

Although the Group does not strictly speaking conduct any research and development, it is constantly in search of innovative solutions. In 2014, in particular, it set up Europcar Lab, renamed Mobility Lab in 2018, which is an ideas incubator for the Group's strategic projects. Mobility Lab has also invested in and acquired several companies developing new mobility solutions in Europe. These companies hold most of the intellectual property rights used in their respective activities (including car sharing and private vehicle rental services).

1.8.2 Intellectual property, licenses, user rights and other intangible assets

The Group holds most of the intellectual property rights used in connection with its business, particularly the material rights, which enables it in the vast majority of cases to provide services to its customers without having to rely on third parties.

These rights are mainly held either (i) in their majority, by Europcar International, Europcar Mobility Group and through subsidiaries of Europcar Participations and Europcar Lab, or (ii) for distinctive signs used in only one country, by a Group subsidiary in that country.

The Group's intellectual property rights primarily consist of:

(i) rights to distinctive signs such as trademarks or domain names, particularly those including the names "Europcar®", "InterRent®", "Buchbinder®", "Goldcar®" or "Keddy®". These intellectual property rights are registered or in the process of being registered in most of the countries where the Group does business, in order to protect them in a manner appropriate to the activities concerned;

(ii) rights relating to the "GreenWay®" technology, an application offering a comprehensive commercial solution, mainly in the areas of vehicle fleet management, e-commerce, reservations and global distribution systems as well as rental activities; and

(iii) the rights relating to the trademarks and, if applicable, technological solutions and applications used by the new mobility companies acquired by the Company since its creation. These intellectual property rights allow these acquired companies (such as Ubeeqo) to operate their services in certain cases without relying on third parties.

In the context of several partnership or franchise agreements abroad (notably with (i) Discount Car & Truck Rentals Ltd in Canada), (ii) AMAG Services AG in Switzerland and Liechtenstein, (iii) ARAC GmbH in Austria, (iv) InterRent AS in Norway and (v) Times Mobility Network Co. Ltd in Japan) and in the event that the services provided so require, ECI grants its partners or franchisees a license for some of its intellectual property rights (notably for the GreenWay® trademarks and technology) for a particular territory. Up until the end of 2019, ECI was also party to a cross-licensing agreement with Advantage OpCo ("Advantage") pursuant to which (i) Advantage granted ECI an exclusive license to certain "Advantage" trademarks in the countries where the Group is present or has a franchise, with the exception of the United States (although the license did cover Puerto Rico) and (ii) ECI granted Advantage an exclusive license to the "Europcar®" trademark in the United States (but not covering Puerto Rico). In the context of two partnerships, one with the Chinese Shouqi Car Rental group and the other with ECOS (India) Mobility and Hospitality Private Limited, cross-licensing contracts have been entered into, whereby (i) Shouqi and ECOS grant Europcar International S.A.S.U., licenses to certain trademarks in countries where the Group is established or has a franchise, and (ii) Europcar International S.A.S.U. grants Shouqi and ECOS licenses to the Europcar® brand for China and India respectively. The licenses are non-exclusive and non-transferable for a duration equal to the term of the joint venture or franchise agreements in connection with which they are granted. These licenses are not the subject of specific fees, but instead are taken into account in the overall negotiation of the partnership or franchise agreements to which they apply.

Please refer to Note 5 "Intangible Assets" in the financial statements for 2019, shown in Section 3.4 "Consolidated financial statements and report of the Statutory Auditors on the financial statements for the fiscal year ended December 31, 2019" for details of the valuation of the Group's trademarks.

1.9 PROPERTY, PLANT AND EQUIPMENT

At December 31, 2019, the Group held property, plant and equipment with a gross value of €438 million before IFRS 16 impacts (€407 million at December 31, 2018). The change is primarily due to the new acquisitions made in 2019 and investments made in network branches.

The Group also leases some of its fixed assets, in particular certain buildings and technical equipment. Pursuant to IFRS 16, leases are recognized in the balance sheet in the form of a right of use on the leased asset and a financial liability for the rents and other payments to be made during the rental period used in valuing the lease liability. The gross value of the rights of use related to real estate and equipment leases stood at €476 million as of December 31, 2019.

Property, plant and equipment owned or leased by Group entities consists mainly of:

- administrative buildings and offices for the needs of the Group's administrative and commercial functions in all the countries in which it carries on its activities.

  The Company has established its head office in Paris (75017) (France) and occupies three floors of the Metropolitan Building, comprising 5,470 m² of rented office space plus parking spaces, leased by Europcar International under a commercial (office) lease agreement signed on October 2, 2017 for a fixed ten-year term from February 1, 2018. The initial ten-year term is firm and irrevocable, Europcar International having waived its right to terminate after the first three three-year periods.

  Each of the Corporate Countries also occupies premises for its headquarters;
- rental agencies mainly located at or near airports or train stations, or in certain business neighborhoods and suburbs.

  The Corporate Countries rent or operate the majority of the Group's 1,301 directly managed stations, pursuant to concessions awarded by governmental authorities and leases with private entities. These leases and concession agreements generally require the payment of rent or minimum concession fees, and in certain countries also require the relevant Corporate Country entity to pay or reimburse operating fees, additional rent, or concession fees that are greater than the guaranteed minimum, calculated based on a percentage of revenue or sales at the locations in question;
- technical infrastructures of servers and datacenters;
- fuel pump and car washing equipment at rental agencies in each of the Corporate Countries.

These property, plant and equipment items are pledged as collateral for corporate financing, as indicated in Note 5.3 "Property, plant and equipment" of the 2019 consolidated financial statements included in Section 3.4 of this Universal Registration Document.

2

RISK FACTORS AND RISK MANAGEMENT

Before any decision to acquire the Company's shares, investors should consider all of the information set forth in this Universal Registration Document, including the following risk factors as set out in this Chapter.

Pursuant to the provisions of Article 16 of regulation (EU) 2017-1129 of the European Parliament and of the Council, this chapter presents the main risks that, as of the date of this Universal Registration Document, could impact the Group's activity, financial position, results, outlook, image or reputation or the stock market price of its shares, as identified while preparing the Group's risk mapping, and after taking into account the procedures and checks put in place in order to identify, monitor and manage the risks on an ongoing basis. These risk procedures and controls are described in Sections 2.6 "Risk management procedures" and 2.8 "Internal control procedures" of this Universal Registration Document. Other hitherto unknown risks or those deemed unlikely to have a material adverse effect as of the date of this Universal Registration Document, could have a significant impact on the Group in the future. The Group could indeed be exposed to emerging, new, or constantly evolving risks whose impact remains uncertain. Any risks that are currently unknown or considered immaterial could prove important in the future and have a significant impact on the Group. Given the level of uncertainty associated with these risks, the Group is not always able to quantify their consequences with adequate or sufficient accuracy. Within each of the risk categories mentioned below, the risk factors that the Company considers, as of the date of this Universal Registration Document, as the most significant due to their probability of occurrence and/or their materiality are mentioned first.

In this Universal Registration Document and unless otherwise indicated, the 2019 figures on Corporate Countries include:

(i) the data about the Group's Finnish and Norwegian companies, former Group franchisees, acquired by Europcar on May 31, 2019, for the period from June 1 to December 31, 2019. It is specified that the balance sheet of this former franchisee was consolidated in the financial statements of Europcar Mobility Group at December 31, 2019, but that the income statement of this former franchisee was consolidated in these financial statements for the aforementioned period only. The figures on franchisees therefore include data concerning the former Finnish and Norwegian franchisees for the period spanning January 1, 2019 to May 31, 2019; and

(ii) the data about Fox, the Group of companies incorporated in the United States, acquired by Europcar on October 31, 2019, for the period from November 1 to December 31, 2019. It is specified that the balance sheet of Fox was consolidated in the financial statements of Europcar Mobility Group at December 31, 2019, but that the income statement of Fox was consolidated in the financial statements for the aforementioned period only.

In this Chapter, as in this Universal Registration Document, except where otherwise stipulated, the comparisons of figures between 2018 and 2019 are made on the basis of reported data, and therefore do not include restatements for acquisitions or disposals for the fiscal years in question.

Global tourism and transport heavily impacted by the Covid-19 pandemic in 2020

Since the start of March 2020, the international spread of the Covid-19 pandemic has forced a large number of governments to put in place exceptional travel restrictions or lockdowns and to limit or prohibit public meetings or gatherings.

The Group has taken the appropriate measures with regard to both its employees and its customers and for its business, with a dedicated multidisciplinary team working under the supervision of the Company's Management Board.

At the date of this Universal Registration Document, the scale of the pandemic and its continuing spread throughout the world means that we are unable to assess the financial impacts or full consequences, including a possible worsening of the situation and/or of the scale of the consequences relating to the risks presented in this chapter and, in particular, "Risks related to the decrease in demand for travel and transport in the regions in which the Group operates" in Section 2.1.1, "Risks related to the seasonal nature and sensitivity to weather conditions of the vehicle rental industry" in Section 2.1.3, "Risks related to the Group's rental fleet supply and manufacturer recall campaigns" in Section 2.2.1, "Risks linked to the Group's holding of vehiclesnot covered by buyback agreements" in Section 2.2.7, "Market risks" in Section 2.4.1, "Risks related to the Group's substantial indebtedness" in Section 2.4.2, "Risks related to the Group's ability to generate cash and/or secure financing to fund its indebtedness or forecast liquidity requirements" in Section 2.4.3 and "Risks related to the Group's potential inability to continue financing vehicle acquisitions for its fleet" in Section 2.4.5. of this chapter.

At the date of this Universal Registration Document, it is still very difficult to assess the extent of the repercussions of such a stoppage of economic activity in so many countries, given the numerous chain reactions, in the short term. The Group is regularly reviewing the evolution of the pandemic as well as its impact on the Group's business, operations and financial position, and is taking all appropriate measures for its customers, employees, stations and fleet (in particular, with regard to the fleet, by taking advantage of its flexible fleet supply model (with a buy-back commitment)).

2.1 RISKS RELATING TO THE GROUP'S INDUSTRY AND MARKETS

2.1.1 Risks related to the decrease in demand for travel and transport in the regions in which the Group operates **(high risk)**

The Group benefits from an international network and operates primarily in Europe. The Group generated 92.3% and 7.7% of its total revenue (before intra-group and holdings eliminations) in Europe and the rest of the world, respectively, for the year ended December 31, 2019. Demand for vehicle rentals in a given region, and "corporate" rentals in particular, is affected by trends in the gross domestic product (GDP). Declines in or stagnation of GDP negatively impacts the level of vehicle rental demand. This could lead to a tightening in the credit market, a drop in business and leisure travel, a reduction in consumption and greater volatility in fuel prices. All these factors could negatively impact the vehicle rental industry, and particularly demand in the "business" segment. The current situation and the 2020 outlook for the Eurozone remain very uncertain.

A deflationary environment in Europe or one of its member States would limit the Group's growth prospects and any deterioration in the Eurozone economy, including connected with "Brexit" could adversely affect the Group's business, results of operations, financial position and prospects. For further information on Brexit, see Section 2.1.4 of this Universal Registration Document.

Vehicle rental demand, particularly in the "leisure" segment, is also affected by trends in air travel, which themselves are in turn affected both by macroeconomic conditions as well as by specific factors such as flight ticket prices, fuel price trends, work stoppages, social movements, natural catastrophes, epidemics, terrorist incidents (or a perceived heightened risk of incidents), military conflicts or government responses to any of these events. In addition, the Group believes that social movements, such as those that took place in France during the last quarter of 2018, had a limited impact on its results of operations and financial performance in 2019. Nevertheless, if these social movements were to recur or become chronic, this could have a material adverse impact on the Group's business, results of operations, and financial situation, especially if these movements were to occur in touristic areas in which the Group has a strong business presence. In the same manner, if repeated attacks or perturbations were to occur in Europe, it could have a significant adverse effect on the Group's activities, results of operations and financial position. In order to limit the negative effect, the Group subscribed to an insurance program (see Section 2.6.3.3 "Risks related to the Group's business (excluding its fleet)").

With regard to the Covid-19 outbreak, which began in China in December 2019 before spreading to Europe and the United States, the Group is monitoring its exposure in order to take the appropriate steps, both in terms of its staff, its customers, and its business, with a dedicated multidisciplinary team under the supervision of the Management Board.

The Group is regularly monitoring new developments in the outbreak as well as the impacts on its business, operations and financial position. It is taking all the appropriate measures for its customers, employees, stations and fleet (especially, for the fleet, by taking advantage of its flexible fleet supply model with a buy-back commitment).

A protracted global epidemic and the continuation of restrictive measures to control it, insofar as it is creating a slowdown in business and tourist travel, is having a significant impact on the Group's business, operating income and financial position.

Rentals at its airport rental stations were responsible for 46.7% of the Group's total rental revenue for the fiscal year ended December 31, 2019. The Group has significant alliances and partnership arrangements with a number of major airlines that generate a significant source of demand for its services. Accordingly, a substantial portion of the Group's revenue is highly correlated with the level of air traffic. Any event that disrupts or reduces business or leisure air travel could therefore have a material adverse effect on the Group's business, results of operations, financial position and prospects.

Uncertainty and volatility with respect to economic conditions and air travel frequency levels also complicate demand trend projections and hence fleet management.

Vehicle rental demand is also highly sensitive to weather conditions. The tendency towards last minute reservations (itself resulting in part from the increasing weight of Internet-based distribution channels) has increased this sensitivity. Bad weather, particularly in the summer months, could reduce demand during this critical period of the year. A sharp reduction in demand due to poor weather may not be anticipated by the Group's fleet management planning and could have a material adverse effect on the Group's revenues and profitability.

2.1.2 Risks related to the high level of competition in the vehicle rental industry, affected by structural changes (high risk)

The vehicle rental industry is a competitive market. At the international level, the Group's main competitors are several multinational vehicle rental companies and brokers. The Group also competes in specific regions or countries with a number of smaller regional companies. In particular regions, some of the Group's competitors and potential competitors may have greater market share, more technical staff, larger customer bases, lower cost bases, more established distribution channels or greater brand recognition and may adapt more rapidly than the Group does to respond to expectations and changes in demand in the regions in which they operate. Fiercer competition could make the penetration of certain markets difficult. On a worldwide basis, some of these competitors and potential competitors may have greater financial or marketing resources.

Price is one of the industry's main competitive factors. Pricing is significantly affected by the supply of vehicles available for rent relative to demand, and oversupply of rental vehicles relative to demand can result in intense pricing pressure as vehicle rental companies seek to maintain high fleet utilization rates. A number of variables complicate the accuracy of such forecasts, including the variability of other vehicle rental companies' fleet sizes and the relative dispersion of the European market, which may lead to mismatches between supply and demand.

If potential competitive pressures require the Group to match competitors' prices but the Group is not able to reduce operating costs correspondingly, then the Group's results of operations and financial position could be materially and adversely affected.

The vehicle rental industry has been evolving and is facing further and substantial structural changes due to changing customer preferences and usages combined with and driven by new technologies. The increased use of the Internet and mobile phone applications for reservations of rental vehicles is a major structural change which makes competition more transparent, and thus increases the potential pressure on prices in the vehicle rental industry, such that pricing could become the main, if not the only, source of differentiation. This trend is expected to continue. The percentage of reservations for the Group made through the Internet rose from 27% in 2008 to 74% in 2018 and to 76% in 2019. This increase is due, among other things, to the ease of use of this distribution channel (including for "last minute" bookings) and the fact that it enables price and service comparisons. These trends could have a material adverse effect on the Group's business, results of operations, financial position and prospects.

With increased pricing transparency and the recent economic downturn, individuals and businesses have been increasingly focused on low-cost travel and many companies have implemented measures to reduce business travel costs. As a result, the vehicle rental market has also witnessed increased demand for smaller economy vehicles, and more generally the low-cost market, which has required industry players to adjust their fleet and adapt the cost structure associated with these offers. Failure to adapt to these market changes, together with increased competition, could have a material adverse effect on the Group's profitability.

The emergence of new mobility solutions creates opportunities but is not devoid of risks (see Sections 1.3 "Mobility services market" and 1.4 "Strategy" in this Universal Registration Document). The arrival of new potential competitors such as companies offering car sharing and car-pooling services and their growing presence in the mobility market may also affect the Group's competitive position. Moreover, competition in new mobility solutions by operators with different business models could adversely affect the Company's results and prospects for these services.

2.1.3 Risks related to the seasonal nature and sensitivity to weather conditions of the vehicle rental industry

The third quarter of the year has historically been the Group's strongest quarter due to higher levels of leisure travel in the summer months. As an example, for the fiscal year ended December 31, 2019, the third quarter accounted for 33.4% of the Group's consolidated revenue for the year and 78.2% of its Adjusted Corporate EBITDA. At the date of this Universal Registration Document, the scale of the Covid-19 pandemic, and its ongoing worldwide spread, has already massively disrupted the second quarter of 2020 and will impact the third quarter of 2020, generating a significant and material adverse effect on the Group's revenue and results of operations. Any event such as the increase in Covid-19 infection levels, which would further disrupt the rental business during the second or third quarter of 2020, could have a significant and material adverse effect on the Group's revenue and profitability, particularly due to the significant fixed costs that exist.

The Group purchases vehicles for its fleet based on anticipated fluctuations in demand, in particular seasonal fluctuations. The necessary variation in fleet levels also results in higher levels of debt in the summer months compared to other times of year, as additional capital is required to fund fleet acquisitions. The Group manages its cost base and investment decisions in line with forecast activity levels and historical needs. Any difference between forecasted and actual activity, in particular during peak periods, could have a material adverse effect on pricing both during the peak periods and in the "shoulder" periods before and after them and therefore on the Group's business, results of operations and financial position.

2.1.4 Risks related to the exit of the United Kingdom from the European Union

In a referendum held on June 23, 2016, the United Kingdom chose to leave the European Union ("**Brexit**"). The Brexit date initially scheduled for March 29, 2019 has been postponed several times, such that Brexit actually happened on January 31, 2020 at midnight (Paris time).

Meanwhile, the European Union and the United Kingdom reached an agreement on October 17, 2019 setting out the conditions for the orderly withdrawal of the United Kingdom from the European Union (the "**Withdrawal Agreement**"). The Withdrawal Agreement provides for a transition period, which started on February 1, 2020, during which the United Kingdom, now a third-party State, continues to fully comply with the EU body of law (made up of all EU directives, norms and standards), without being able to either participate in institutions or be associated in European Union decision-making. In return, during this transition period, the United Kingdom will maintain its access to the single market and to the Customs' Union. The transition period will end on December 31, 2020, however, it can be extended by one or two years.

During this period, the European Union and the United Kingdom will negotiate a new partnership for the future, which will define their future relationship after the transition period.

There is still uncertainty about the alternative models for the relations the United Kingdom could negotiate with the European Union. Given that any provisional or implementation period, as well as any replacement agreements, require the approval of both the United Kingdom and the European Union, there is a risk that such agreements will not be finalized by the deadline for the end of the transition period. The potential effects of the United Kingdom's exit from the European Union and the potential measures implemented to mitigate these effects may vary considerably depending on the type of agreements signed during the provisional, implementation or post-Brexit phase.

Apart from these risks in the United Kingdom, the Group pays particular attention to Leisure activities in Southern Europe, particularly in Spain, Italy and Portugal. These destinations are very popular among tourists from the United Kingdom, who could travel less if the British currency were to devalue, if the British economy were to slow or if regulatory developments were to weigh on travel.

Brexit and the uncertainties related to the negotiations may negatively affect economies worldwide, market conditions and may contribute to the instability of the financial markets and the global currency markets, in particular relating to the volatility in the value of the pound sterling or the euro. As the effects of Brexit cannot be fully anticipated, they may have a materially adverse effect on car manufacturing and vehicle availability, the Group's business, results from operations, financial position and prospects. On a structural front, Great Britain is a highly competitive and tightly priced region, which tends to drag down the market, particularly in the SME and Replacement markets of the business segment. This environment is intensified by Brexit, which creates pressure on volumes and unfavorably affects the business segment, and is only partly offset by the volumes achieved in the Leisure segment. Brexit also has a price effect from a rise in inflation which may not be passed on to an increase in prices. Finally, Brexit could create uncertainties as to the legal framework applicable to the Group's operations due in particular to the potential divergence of laws and regulations by country, with the United Kingdom having to decide on the European Union laws that it may wish to either replace or replicate. See Note 8 "Financing and financial risks management", regarding foreign exchange risk in the 2019 financial statements, presented in Section 3.4 "Consolidated financial statements and Statutory Auditors' report for the fiscal year ended December 31, 2019".

2.2 OPERATIONAL RISKS RELATED TO THE BUSINESS

2.2.1 Risks related to the Group's rental fleet supply and manufacturer recall campaigns **(high risk)**

The Group relies to a significant extent on contractual agreements with a limited number of car manufacturers and dealers.

Any of these manufacturers could decide or be forced to restrict the production or sale of vehicles to the rental industry for various reasons or could be affected by the occurrence of unforeseeable events such as the Covid-19 pandemic that would affect the supply chain for vehicles. In general, car manufacturers limit the number of vehicles sold to short-term rental companies to a percentage of their total sales of new vehicles. This percentage varies between 7% and 12% depending on the manufacturer. In addition, depending on market conditions, sales of vehicles to rental companies may be less profitable for automobile manufacturers than other distribution channels or may not suit their marketing and branding strategy at a given time. Indeed, sales to the vehicle rental industry have historically been relatively less profitable for car manufacturers due to sales incentive and other discount programs that allow fleet purchasers such as Europcar to limit the average holding costs for their vehicles. Procurement and fleet holding costs may also increase due to taxes linked to emission reduction requirements for the type of energy imposed and it cannot be guaranteed that the Group would be able to pass on this increase in costs to its customers. If the Group is unable to obtain favorable pricing and other terms when it acquires vehicles and is unable to pass on increased costs to customers, the Group's results of operation and financial position could be materially adversely affected. For further information on the Group's expenses related to vehicle purchases and costs related to purchasing and selling vehicles, see "Structure and operational efficiency" in Section 3.1.1.2 "Main factors that can impact the Group's Results", subsection "Costs structure and operational efficiency" and 3.3.1 "Investment history" of this Universal Registration Document.

Any changes in standards or economic or financial distress, particularly linked to Covid-19, affecting manufacturers, dealers and their suppliers of vehicle components, could also cause them to raise the prices the Group pays for vehicles or to reduce the capacity of the Group to supply its fleet. As a result, there is no guarantee that the Group will continue to be able to obtain vehicles at terms and conditions that are as competitive or in the form of the particular vehicle sales arrangements on which the Group currently relies. In particular, the Group relies on buy-back agreements (whereby the Group's vehicles are repurchased by the manufacturer or dealer on pre-established terms after a pre-determined holding period) to limit potential residual risk with respect to residual value of the vehicles, to enable financing on the basis of the agreed repurchase price and to provide flexibility for fleet management. If vehicle acquisition costs increase and the Group is unable to pass on all or part of increased costs to its customers, or if the Group is unable to supply itself with vehicles by benefiting from buy-back agreements at competitive terms and conditions, the Group's results of operations and financial position may be materially and adversely affected.

The vehicle purchase policy is still chiefly "buy-back". The portion of diesel in the Group's purchases of passenger cars went from 59% in 2015 to 53% in 2016, 47% in 2017, 38% in 2018 and 32% in 2019. This decrease mainly concerns small vehicles in the mini, economy and compact ranges.

Given the still favorable savings in use (lower consumption price per liter and VAT recovery), the Group had yet to record any reduction in diesel demand from its customers as of the date of this Universal Registration Document.

"Volkswagen gate" had little or no impact on the fleet of Groupe Europcar. Even though a slight drop in the residual values of diesel vehicles has been noted, due to the buy-back agreements covering the large majority of the volumes, the Group's fleet costs have not been impacted. Furthermore, at the date of this Universal Registration Document, it has been noted that manufacturers have reduced the proportion of diesel vehicles in favor of gasoline vehicles for 2019, as they did in 2018. In 2019, the share of electric vehicles (EV) in the fleet remained very low (less than 1% of purchases). As the offer of manufacturers continue to expand, the volume of electric vehicles purchased in 2020 should increase with respect to 2019 but will remain very limited due to the priority given by manufacturers to private customers. However, the Group is expecting again a ramp-up of its electric vehicles offering in 2021 that could be as high as 10% of the Group's fleet purchases.

The new WLTP Procedure (*Worldwide-harmonized Light vehicles Test procedure*) used to measure fuel consumption and emissions of CO_2 and other pollutants became effective on September 1, 2018. The CO_2 levels recorded since the entry into force of this new WLTP procedure are higher than those recorded under the previous standard, thereby resulting in an increase in taxes imposed on vehicles. France, the United Kingdom, and Germany are the main countries impacted by this increase. In addition, as of the date of this Universal Registration Document, it cannot be ruled out that various governments may decide to continue to significantly increase CO_2 taxes in the future to encourage manufacturers and consumers to turn to low-emissions vehicles. This could lead to an increase in holding costs and have a material adverse impact on the Group's results of operations and financial position.

Moreover, customer demand for electric vehicles remains sporadic for short-term rental activity. Limited range, lengthy recharge time and limited infrastructure are still real deterrents for customers. While hybrid vehicles are well regarded, manufacturers still offer a very limited choice including for 2020. The Group predicts an increasing number in the offer of hybrid and electric vehicles by 2021.

The Group might have to spend considerable sums if a manufacturer or dealer were no longer able to respect its buy back commitments for reasons of insolvency or any other reason, or if a manufacturer or dealer no longer wished to buy back vehicles whose residual value may have declined. In these circumstances, the Group may be unable to dispose of its vehicles at the prices specified under the buy-back agreement or calculated based on the guaranteed depreciation, or it may be unable to receive contractual premiums. Failure by a manufacturer or dealer to fulfill its aforementioned obligations could leave the Group with a substantial and uncertain unpaid claim particularly with respect to vehicles that have been (i) resold for an amount less than the amount contractually guaranteed and therefore subject to a payment obligation by the manufacturer or by the dealer for the loss incurred by the Group or (ii) returned to the manufacturer or dealer but for which the Group may risk not receiving any payment or only partial payment. Such failure to perform could lead the Group to incur a substantial loss.

Vehicles in the Group's fleet may be subject to recalls by their manufacturers. Under certain circumstances, recalls may cause the Group to attempt to recall rented vehicles from customers or to decline to rent available vehicles until the steps described in the recalls can be applied. If a large number of vehicles were to be simultaneously recalled, or the necessary spare parts were not available in sufficient quantities, the Group may find it difficult to meet customer demand for several weeks or months. The Group could also potentially face liability claims if recalls concern vehicles that it has already re-sold. Depending on their number and severity, recalls could materially adversely affect the Group's revenue, reduce the residual value of the vehicles involved, create customer service problems, and harm the Group's general reputation and the consumer's view of the Group.

2.2.2 Risks related to the contractual relationships with certain key partners and distribution channels **(high risk)**

In the leisure segment, the Group relies on a number of targeted partnerships and distribution channels, which generate significant rental revenue and accounted for 30% of its vehicle rental reservations in 2019 (for more information on the Group's partnerships in the leisure segment, see Section 1.6.3.2 "Leisure customers", subsection on "Partnerships to reach leisure customers") in this Universal Registration Document).

In the business segment, the Group also has numerous exclusive or non-exclusive contracts with large corporations, which cumulatively generate a substantial portion of the Group's consolidated revenue.

The loss of certain of these partnerships, distribution channels or contracts, unfavorable changes in their terms, including commission schedules or financial arrangements, the potential termination of certain of these contracts (a certain number of which may be terminated at any time by partners), a reduction in the volume of sales from certain partners or channels, or a party's inability to process and communicate reservations to the Group could have a material adverse effect on the Group's business, results of operations, financial position and prospects.

2.2.3 Risks related to the Group's potential failure to detect fraud **(high risk)**

The scale and nature of the Group's businesses expose it to the risk of fraud, which could adversely affect its results of operations, its financial position and harm its image. The Group may be exposed to various types of fraud, targeting it directly or targeting its customers. Furthermore, with the increasing complexity of technology and the accelerated rate of new service introductions or new applications related, in particular, to billing and customer relations management, new types of fraud that are more difficult to detect or counter could also develop. See also Section 2.3.4 "Risks related to the Group's potential failure to protect customer data against security breaches and cyber-attacks" in this chapter. In the event of such occurrence or the failure to detect these new types of fraud, the Group's revenue, results of operations and reputation could be affected.

2.2.4 Risks related to contractual relationships with certain key suppliers in addition to car manufacturers

The Group signed a number of contractual agreements with suppliers other than car manufacturers, in particular insurance providers and information technology suppliers. The Group relies mainly on AIG and Allianz (see Section 2.5.2 "Risks related to liabilities and insurances" and Section 2.6.3 "Insurances" of this Universal Registration Document). The Group also has important business relationships with several suppliers of software and services that it uses to operate its systems manage reservations and its fleet and provide certain customer services.

The suppliers on which the Group relies may be unwilling to extend contracts under terms that are favorable to the Group, or they may seek to renegotiate existing contracts with the Group. The Group cannot guarantee that the suppliers on which it relies will properly provide the services and products it needs for the operation of its business or will provide such services on competitive terms. The occurrence of any of these risks may create operational problems, damage the Group's reputation, result in the loss of customers and have a material adverse effect on the Group's business, results of operation and financial position.

2.2.5 Risks related to contractual relationships with franchisees, agents and affiliates

Franchise fees from franchisees represented €55.2 million for the fiscal year ended December 31, 2019.

For the contracts in force in 2018 and 2019, in addition to an entrance fee, when franchisees renew their contracts, they pay a fee for the exclusive use of the brands determined and held by the Group for a given territory defined in their contracts. The franchisees also pay to the Group a reservation fee depending on the distribution channel used, as well as royalties equal to a percentage of the revenue generated by their vehicle rental operations with a possible guaranteed minimum.

In 2016, the Group completed a comprehensive review of its Europcar and InterRent franchise contracts in order to roll out new Group projects. In the new franchise contract model, additional remuneration streams to those mentioned above are provided for, depending on additional services, particularly in IT, marketing, and specific training, which may be taken up by the franchisees and progressively come on-stream in 2018. In 2019, the Group will further review its franchise contracts by initiating a review of the models previously proposed by the recently acquired companies Buchbinder and Goldcar.

17 contracts were renewed and/or signed for the Europcar brand in 2019 and 35 contracts should be renewed in 2020, 14 in 2021, 22 in 2022 and 28 in 2023. 13 contracts were renewed and/or signed for the InterRent brand in 2019, 18 should be renewed in 2020, 6 in 2021 and 7 in 2023.

The Europcar network consists of 118 franchisees. The Buchbinder network consists of 13 franchisees. The Goldcar network consists of 7 franchisees.

The Group cannot guarantee that all of its franchise contracts will be renewed or renewed according to the terms and conditions proposed by the Company in the new franchise contract. The Group may lose franchisees to competing networks who may offer more favorable terms and conditions. If one or more of the Group's franchisees were to leave the Group's networks, the geographic coverage could be reduced; if the Group is unable to secure agreements with replacement franchisees at terms and conditions that are at least equally favorable, the Group's profitability and outlook could be materially adversely affected. The loss of certain franchisees could also weaken the Group's brands. The Group also operates certain rental stations through agents in its Corporate Countries. From time to time the validity or enforceability of certain terms and provisions of these agency agreements have been and may in the future be challenged by the Group's agents or third parties. To the extent a court or regulatory authority were to find a term or provision to be invalid or unenforceable and if such finding were determined to be applicable to all of the Group's agency agreements in a particular jurisdiction, the Group's results of operations could be materially adversely affected.

The Group also has a network of affiliates operating under the Brunel brand. New contracts are currently being reviewed. The Group cannot guarantee that all the members of its network of affiliates will remain within the network of drivers, thus reducing the geographic coverage of its services and the related revenue. Furthermore, the Group faces risks concerning the actions or omissions of its franchisees, agents and affiliates (for further information, see Section 2.3.3 "Risks related to the Group's ability to develop and maintain favorable brand recognition" and, for management of the operating characteristics of the franchisees' business, see Section 1.6.5.3 "the Group Franchise Department" of this Universal Registration Document).

2.2.6 Risks related to the potential inability for the Group to continue operations on acceptable terms at certain major airports and train stations

For the fiscal year ended December 31, 2019, revenue generated by vehicle rentals from airport stations represented 43.9% of total Group consolidated revenue in Corporate Countries. The number of rental stations in airports as a percentage of the Group's total number of stations remained stable at 18% over 2019, without taking into account the acquisition of Fox Rent A Car in the United States. The Group operates airport and train station rental locations under contracts that generally have terms of three to five years. While historically such arrangements have been renewed, the commercial terms may be adjusted and there can be no assurance that they will be renewed on similar terms (in particular due to an upward trend in commissions paid to airports to be passed on to the end consumer, where applicable). A potential inability for the Group to continue operations on acceptable terms at certain major airports and train stations currently within the Europcar network could have a material adverse effect on the Group's business, results of operations and financial position.

2.2.7 Risks related to the Group's holding of vehicles not covered by buy-back agreements

In 2017, approximately 89% of the fleet acquired by Europcar in 2017 was covered by buy-back agreements. This rate fell slightly to 87% in 2018 and 86% in 2019 (Note that the 86% does not take the fleets of Fox, Europcar Finland and Europcar Norway into account).The residual values of the remaining vehicles not covered by buy back agreements, referred to as "at risk vehicles", are exposed to variable conditions linked to uncertainties in the used vehicle market. The Group's ability to sell its vehicles in the used vehicle market place could become constrained as a result of a number of factors, including the macro-economic conditions, in particular those resulting from the Covid-19 pandemic, model changes, legislative requirements (e.g. changes to environmental legislation or vehicle taxes), and oversupply by manufacturers of new or late model pre-owned vehicles, may result from the consequences of the Covid-19 pandemic. A decline in used vehicle prices or a lack of liquidity in the used vehicle market may severely hinder the Group's ability to resell "at risk vehicles" without a loss on investment and could adversely affect the Group's profitability.

Although the Group has entered into several multi-year agreements for the buy-back of vehicles, the current relatively low percentage of "at risk vehicles" in the Group's rental fleet could increase as a result of market conditions or if manufacturers were reluctant to agree to sales with buy-back agreements or if they offered less attractive buy back terms.

The Group relies on buy-back agreements for a substantial portion of its fleet financing. If the Group were to fail to purchase a significant part of its fleet through buy-back agreements at acceptable conditions, vehicle related debt financing would become more difficult to obtain on acceptable terms. See Section 2.4.4 "Risks related to the Group's potential inability to continue financing vehicle acquisitions for its fleet" of this Universal Registration Document).

In addition, fleet holding costs represent a significant cost to the Group. Buy-back agreements enable the Group to determine a substantial portion of its fleet holding costs in advance. Any increase in the proportion of "at risk vehicles" in the Group's fleet would diminish the Group's ability to forecast its fleet holding costs and would increase its exposure to fluctuations in the residual value of used vehicles. In addition, any reduction in the residual values of "at risk vehicles" could cause the Group to sustain a loss during the ultimate resale of such vehicles and would affect its liquidity by decreasing the value of the asset base upon which financing is based.

Finally, buy-back agreements provide increased flexibility to adjust the size of the Group's fleet to respond to seasonal fluctuations in demand or in the event of an economic downturn, because such programs allow a shorter holding period than for "at risk vehicles". This flexibility has enabled the Group to optimize its fleet holding costs and increase its profitability. The Group cannot warrant that it will be able to maintain the same percentage of vehicles covered by a buy-back commitment for its fleet and, consequently, that it will be able to maintain the same level of flexibility in its fleet management. This could have a material adverse effect on the Group's operating income and financial position.

2.3 RISKS RELATED TO THE OPERATION AND ORGANIZATION OF THE GROUP

2.3.1 Risks related to the Group's strategy **(high risk)**

The Group's strategy depends on its ability to identify and successfully exploit opportunities in the changing mobility solutions markets, and more generally, to adapt its commercial strategy to evolving customer preferences and customer mix in its existing markets. It also depends in part on its ability to continue to expand into geographic areas where the Group has little experience and where competitive pressures, particularly on prices, may be substantial. The Group has a global presence in 21 Corporate Countries directly and 117 other countries and territories through franchises and partnerships. The Group is therefore likely to expand into additional countries in connection with its development strategy, including regions beyond its historic coverage in Western Europe, particularly in Asia, Africa, America and Eastern Europe (for more information on the Group's development strategy, see Section 1.4 "Strategy" of this Universal Registration Document). The gradual harmonization of the different internal control procedures across the various Corporate Countries could be a source of difficulties and slow down the deployment of the Group's strategy (see Section 2.8 "Internal control procedures" of this Universal Registration Document). The difficulties relate to maintaining a company culture as the Group expands and the disparity of approaches to governance may limit the Group's ability to successfully penetrate new markets. Operations in certain of these markets are also inherently subject to higher economic, political and legal risks than in more mature markets.

The Group's forays into new markets or market segments may take the form of franchise arrangements in line with the Group's traditional approach through organic growth such as a joint venture or partnership with another company, or the acquisition of an existing business. However, the Group may not be successful in identifying appropriate opportunities, potential franchisees, joint venture partners, alliances or agents, or in entering into agreements with them. The Group's partners may also have economic or business interests or goals that are inconsistent with the Group's or they may be unable or unwilling to fulfill their obligations under the joint venture or other agreements. Furthermore, they may benefit from knowledge acquired under these joint venture agreements. In addition, certain of the Group's debt instruments place certain limitations on the Group's ability to make acquisitions, enter into joint ventures or other partnership arrangements (see Section 3.2 "the Group's Liquidity and Capital Resources" in this Universal Registration Document).

In the course of deploying its strategy and making new acquisitions, the Group may not succeed in identifying the right targets at an acceptable price and terms, or it could be blocked by competition from other potential buyers. The Group may have to face high integration costs, delays, or other financial and operational difficulties when seeking to integrate the companies acquired. If the Group was not able to successfully integrate one or more acquired companies, while keeping the key customer contracts and key personnel of these companies, it could not guarantee that the acquisition in question would produce the expected synergies, including synergies related to the fleet (sourcing and financing). The success of these acquisitions will also depend on the Group's ability to firstly, effectively capitalize on the expertise of the integrated companies in order to optimize growth efforts, and secondly, to manage any potential differences in culture and work practices between the Group and the acquired company or companies, especially when they operate in geographical areas or industries that are very different from the Group's core business.

Furthermore, the Group cannot guarantee that, following their integration into the Group, the acquired companies will generate the desired cash flows. Before any acquisition, the Group conducts evaluations taking into account a certain number of estimates and assumptions concerning the growth, profitability and valuation of the Company whose acquisition is envisaged. The actual figures may clearly differ from the results originally expected according to the evaluations.

Furthermore, the completion of certain acquisitions could trigger, or lead to the triggering of, change of control clauses contained in some contracts to which the acquired companies are a party, which could in turn lead to the early termination of these agreements and have adverse consequences on the Group's business and future results.

The accounting costs of the acquisitions could affect the Group's financial position and operational results. In addition, the financing of any significant acquisition may result in changes in the Group's capital structure, including the incurrence of additional indebtedness. The Group may not be successful in addressing these risks or any other problems encountered in connection with any acquisitions.

The occurrence of adverse events, disputes or unforeseen legal obligations, including disputes arising from the acquisition and/or in relation to any of the businesses that the Group might acquire without having the certainty of obtaining a satisfactory compensation from the sellers would have a materially adverse effect on the Group's operating results, financial position and outlook.

Any one of these factors could result in delays in implementation of the Group's strategy, increased costs or decreases in the amount of expected revenues related to the expansion and have a material adverse effect on the Group's results of operations, financial position and prospects.

2.3.2 Risks related to the ability of the Group to prevent failure or unavailability of the Group's centralized information systems to pursue new information technology developments **(high risk)**

The Group relies heavily on information systems to record reservations, process rental and sales transactions, manage its fleets of vehicles, account for its activities and otherwise conduct its business. The Group has centralized its Information Systems and relies on communications service providers to link its systems with the business locations these systems serve (see Section 1.6.8 "IT System" of this Universal Registration Document). A major failure of IT or other systems, or a major disruption of communications between the system and the locations it serves, could cause a loss of reservations, slow rental and sales processes, interfere with the Group's ability to manage its fleet and otherwise materially adversely affect its ability to manage its business effectively. The Group's systems design and business continuity plans may not be sufficient to appropriately respond to any such failure or disruption.

In addition, to achieve its strategic objectives and remain competitive, the Group must continue to develop and enhance its information systems in order to meet market needs and keep pace with new information technology developments. This may require investment in and development of new proprietary software or other technology, the acquisition of equipment and software, or upgrades to the Group's existing systems. The Group has invested in its information systems, including under its transformation program, but no assurance can be given that the Group will be able to anticipate such developments or have the resources to acquire, design, develop, implement or utilize, in a cost-effective manner, information systems that provide the capabilities necessary for the Group to compete effectively. In addition, regulatory changes may require the Group to bring its IT system to applicable standards, which may entail significant costs. Any failure to adapt to technological developments could have an adverse effect on the Group's business, results of operations and financial position.

2.3.3 Risks related to the Group's ability to develop and maintain favorable brand recognition (high risks)

The Group invests in the promotion of its brands, particularly through the signing of partnerships and advertising campaigns. However, since the Group is exposed to a number of factors affecting trademark recognition that are often beyond its control, however, such efforts may not be successful (for examples of these types of factors, see in particular Sections 2.5.3 "Risks related to the protection of intellectual property rights" and 2.9 "Regulatory, legal and arbitration proceedings" of this Universal Registration Document). The integration of the Group's recently acquired brands could also represent a reputational risk for the Group and have a materially adverse effect on its business, results of operations, and financial position.

The risk of reputational damage to the Group is magnified by the existence of its extensive network of franchisees, agents and independent partners (see Section 1.6.5 "The Europcar Mobility Group network" of this Universal Registration Document). While the Group has implemented brand guidelines ("Brand Guidelines") that specify the conditions under which its partners, franchisees and agents may reproduce and/or represent its brands and it ensures, in particular via Internet monitoring, that franchisees, agents and partners adhere to its standards and thereby uphold and promote its brands that they use under license, any failure by them to do so could adversely affect the reputation of the Group's brands. This could in turn have a material adverse impact on the ability of the Group to attract new franchisees, agents or partners and thus compromise its growth strategy.

2.3.4 Risks related to the Group's potential failure to protect customer data against security breaches and cyber-attacks (high risks)

The Group's systems regularly possess, store and handle customer data, including personal data concerning millions of individuals and non-public data concerning many businesses. Failure by the Group to maintain the security of the data it holds or the integrity of its systems, whether as the result of the Group's own error or the malfeasance, errors, malicious acts of others, could harm the Group's reputation and give rise to significant liabilities. Third parties may have the technology or expertise to breach the security measures put in place by the Group to protect customer transaction data. The Group's security measures may not prevent security breaches that could result in temporary interruptions to the service concerned or a temporary interruption to the operations of the Group entity targeted in the attack, and likely to cause substantial harm to its business and results of operations and damage to its reputation. The Group intends to rely on encryption and/or authentication technology licensed from third parties to securely transmit sensitive data, including credit card numbers. However, advances in technology, new discoveries in the field of cryptography, or other developments may compromise or affect the effectiveness of the technology the Group uses to protect data processed during customer transactions. In addition, individuals who are able to circumvent the Group's security measures could misappropriate proprietary information or cause interruptions in the Group's operations (see Section 1.6.8 "Information System" of this Universal Registration Document).

In addition, the payment card industry ("PCI") imposes strict customer credit card data security standards to ensure that the Group's customers' credit card information is protected. Failure to meet the PCI data security standards could result in substantial increased fees to credit card companies, other liabilities and/or loss of the right to collect credit card payments.

Any failure to protect customer data, or any security incident resulting in a breach of the Company's IT data by third parties, could damage the Group's reputation and brand or result in fines and administrative investigations or material civil or criminal liability, which would substantially harm the Group's business, operating income and financial position.

2.3.5 Risks related to attracting and retaining talent and skills management

The Group relies on a number of key employees, both in the Group's management and the Group's operations, with specialized skills and extensive experience in their respective fields. The Group believes that the growth and success of its business will depend on the Group's ability to attract and retain highly skilled and qualified personnel with specialized know-how in the vehicle rental and mobility solutions industry. The Group's senior management team has extensive experience in the markets in which the Group operates, and the Group's success depends to a significant degree upon the continued contributions of that team. If the Group were to lose any members of its senior management team, or some of its employees, the Group's ability to successfully implement its business strategy, financial and marketing plans and other objectives, could be significantly affected.

A talent management Department was therefore created in 2018 within the Group's human resources Department in order to safeguard "key" skills required for the Group's transformation. Talent reviews were thus created and extended; they are presented every year to the Group's Nominations and Compensation Committee and to the Supervisory Board. Furthermore, Mobility Forums have been created to encourage mobility inside the Group.

Nevertheless, despite the Group implementing a strategy to attract, identify and retain talented personnel and its desire to foster employee development, it cannot guarantee that it will be able to retain all its talented staff, key personnel and/or highly qualified employees.

2.4 FINANCIAL RISKS

2.4.1 Market risks (high risks)

Through its activities, the Group is exposed to various financial risks which, in the context of Covid-19 and its consequences, cannot be fully assessed at the date of this Universal Registration Document and may be exacerbated by the pandemic: market risk (especially foreign exchange and interest rates), credit risk, pricing risk and liquidity risk. The Group's overall risk management program seeks to mitigate the potential negative impacts of volatility in the financial markets on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

The Group Treasury Department is responsible for management of insurable financial risks, and submits its proposals for financial transactions for approval by the Management Board in accordance with the Company by-laws and internal procedure rules. The Group does not use derivative financial instruments for any purpose other than managing its exposure. All hedging operations are either coordinated or carried out by Group Treasury.

The Group continuously assesses the financial risks identified (including market risk, credit risk and liquidity risk) and documents its exposure in its consolidated financial statements. In 2019, in an ongoing effort to optimize its financing terms, the Group took advantage of a favorable market trend to restructure and improve the financial terms of some interest rate hedges. The detailed analysis of these risks is set out in Note 8 "Financing and financial risk management" in Section 3.4 "Consolidated financial statements and Statutory Auditors' report for the fiscal year ended December 31, 2019" of this Universal Registration Document.

Although the Group reports its results in euro, the Group conducts business in countries that use currencies other than the euro, and the Group is therefore subject to risks associated with currency fluctuations. Of the Group's total consolidated revenue for the fiscal year ended December 31, 2019, 22% was generated outside the Eurozone.

The Group's operating income may be affected by both foreign currency translation effects and by exchange rate fluctuations. The Group is exposed to translation effects when one of the Group's subsidiaries incurs costs or earns revenue in a currency that is different from its functional currency. The Group is exposed to currency fluctuations when the Group converts currencies that the Group may receive from its operations into the currencies required to pay the Group's debt, or into currencies which the Group uses to purchase vehicles, incur fixed costs or pay for services. Such transactions could result in a gain or loss depending on fluctuations in exchange rates.

The Group's results are also exposed to foreign currency translation risk as its sales in several countries are invoiced in currencies other than the euro while its consolidated revenue is reported in euro. Therefore, the Group's financial results in any given period are materially affected by fluctuations in the value of the euro relative to the British pound, Australian dollar, the Danish krone and other currencies, more recently in particular, to the US dollar. Implementation of Brexit could cause further volatility in the euro British pound exchange rate in the future. Currency fluctuations may make it difficult for the Group to predict and/or provide guidance on the Group's results. If the value of the euro declines against currencies in which the Group's obligations are denominated or increases against currencies in which the Group's revenue is denominated, the Group's results of operations and financial position could be materially adversely affected.

See Note 8 "Financing and financial risk management" in Section 3.4 "Consolidated financial statements and Statutory Auditors' report for the fiscal year ended December 31, 2019" of this Universal Registration Document.

2.4.2 Risks related to the Group's substantial indebtedness (high risk)

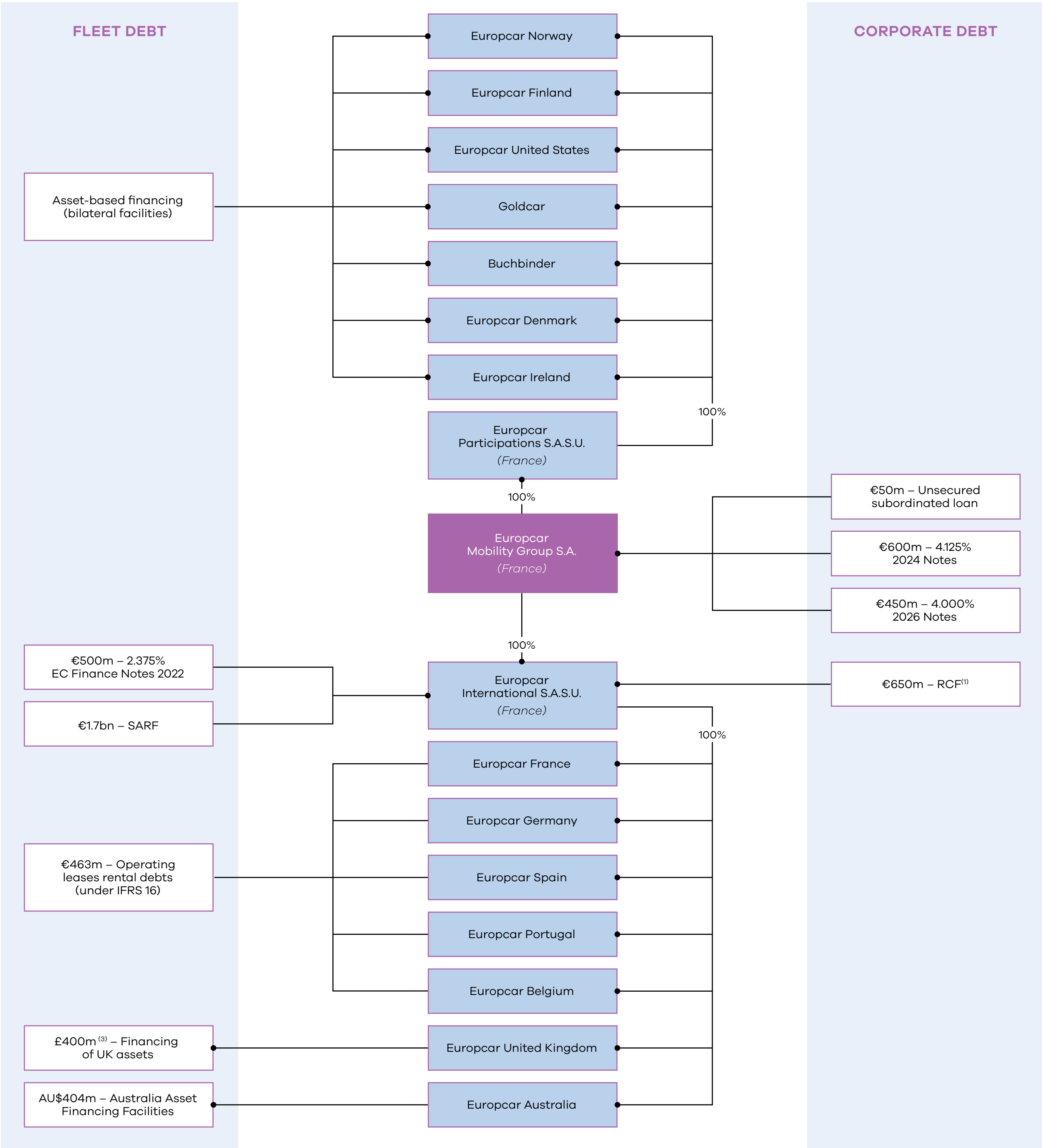
The financing is described in Section 3.2.1 "General Overview" of this Universal Registration Document.

At December 31, 2019, the Group's total consolidated financial debts stood at €4,806.7 million (€3,747.2 million as of December 31, 2018). Rental commitments for operating leases presented until 2018 under off-balance sheet commitments are now recorded on the balance sheet in accordance with IFRS 16. A rent liability has been recorded for €485 million as of December 31, 2019.

The increase in 2019 of the financial liabilities (on the statement of financial position) is mainly related to the fleet and acquisition debts linked to the acquisitions completed in 2019.

The following chart provides a summarized view of the Group's financial debt structure (including the estimated debt equivalent of operating leases) as of December 31, 2019.

Each financing is described in Section 3.2.3.1 "Corporate Debt" and Section 3.2.3.2 "Debt Related to fleet financing" of this Universal Registration Document.



(1) The RCF was increased from €500 million to €650 million on May 29, 2019.
(2) [To come]
(3) The UK fleet financing line signed on October 19, 2018 for an amount of £400 million and payable in three years with two extension options for one year, has been extended to October 2022 by exercising the first extension option.

Of the total amount of the Group's financial liabilities, the Group believes that the amount relating to fleet financing at December 31, 2019 is approximately €3,459 million. These liabilities are mostly backed or secured by assets, mainly vehicles. They consist of €110 million for the Senior Revolving Credit Facility (RCF) totaling €650 million, €1,134 million from the Senior Assets Revolving Facility (the "SARF", for a total maximum amount of up to €1,700 million), £369 million (i.e., €434 million) for the facilities intended for UK fleet financing, €500 million issued in the form of Notes covered by the Senior Subordinated Notes issued by EC Finance plc (the "EC Finance Notes"), AUD 242 million (i.e. €151 million for the facilities intended to finance the fleet in Australia and New Zealand, €283 million for the facilities intended to finance a portion of the Buchbinder fleet and €126 million for the facilities intended to finance the Goldcar fleet and €256 million for the facilities intended to finance a portion of the fleet mainly in Portugal, Ireland and Denmark. In accordance with IFRS 16, a lease liability in the amount of €485 million was recognized at December 31, 2019.

Furthermore, a significant portion of Group's assets is pledged to secure the consolidated debt referred to above. The SARF and, indirectly in second rank, the EC Finance Notes, are secured by the Securitifleet Security interests and since May 14, 2018 by the Goldfleet Security. Securitifleet and Goldfleet Security interests include some shares and certain assets of the special purpose entities established as part of the Group's asset-backed financing and controlled by trusts ("Securitifleet Companies" and "Goldfleet Companies") to purchase, hold, and rent vehicles to local Group subsidiaries in France, Italy, Spain, and, solely in the case of the Securitifleet Companies, in Germany; including, subject to certain exceptions, the Group's rental fleet in these countries. The Securitifleet Companies and Goldfleet Companies benefit from a performance guarantee (in the form of a joint and several guarantee) from the Company and Europcar International S.A.S.U. ("ECI"). The EC Finance Notes also benefit from the ECI guarantee and the Company guarantee. The RCF is guaranteed by the shares held in certain subsidiaries (including a senior pledge on ECI shares). The indentures governing the 2024 Subordinated Notes and the 2026 Subordinated Notes are also subject to a pledge of Europcar International S.A.S.U. shares held by the Company (this security interest being second to the security interest granted to guarantee the RCF).

On May 3, 2020, the Company announced the implementation of a financing plan designed to consolidate the Group's liquidity and allow it to address its vehicle financing and corporate needs related to the impacts of the Covid-19 pandemic. For a description of the financing implemented between December 31, 2019 and the date of this Universal Registration Document, see Section 1.2.3 "Significant subsequent events" and Section 3.2.3.5 "Description of financing entered into after December 31, 2019" of this Universal Registration Document. The Group's substantial indebtedness, such as those which could result from Covid-19's impact on the Company's business, could have significant consequences, in particular:

- requiring the Group to dedicate a substantial portion of the Group's cash flow from operations to payment of the Group's debt, thereby reducing the funds available for (i) working capital, (ii) distributing dividends, (iii) capital expenditures, and (iv) other general corporate purposes such as purchasing and leasing vehicles;
- limiting the Group's flexibility in planning for or reacting to changes in the rental vehicle business;
- placing the Group at a competitive disadvantage compared to any of the Group's competitors that might be less leveraged;
- increasing the Group's vulnerability to both general and industry-specific adverse economic conditions;
- limiting the Group's ability to borrow additional funds and increasing the cost of its borrowing;
- restricting the Group from making strategic acquisitions or exploring new business opportunities.

Any of these or other consequences or events such as the consequences of Covid-19, which cannot be evaluated at the date of this Universal Registration Document, could have a material adverse effect on the Group's results of operations and/or financial position.

In the coming months, considering the uncertainties with which it will be confronted, the Group will strenuously continue its efforts to streamline its cost base and be flexible and agile enough to adapt the structure of its capital and debt to the changes in its business environment.

For further information on the Group's indebtedness, see Section 3.2 "The Group's Liquidity and Capital Resources" of this Universal Registration Document.

2.4.3 Risks related to the Group's ability to generate cash and/or secure financing to fund its indebtedness or forecast liquidity requirements **(high risk)**

The Group's ability to make payments on and to refinance its debt, to acquire vehicles in its fleet and to fund planned capital and development expenditures or opportunities that may arise, such as acquisitions of other businesses, will depend on its future performance and its ability to generate cash and/or obtain financing, which to a certain extent, are subject to macro-economic, financial, competitive, legislative, legal, regulatory and other factors, as well as other factors, including the scale and duration of the Covid-19 pandemic, discussed in this Section, many of which are beyond the Group's control.

There can be no assurances that the Group will generate sufficient cash flows from operations or that future borrowing will be available in an amount sufficient to enable it to pay its debts, or to fund other liquidity needs. If future cash flows from operations and other capital resources are insufficient to meet the Group's obligations as they mature or to fund liquidity needs, the Group may be forced to reduce or delay its business activities and capital expenditures, sell assets, obtain additional debt or equity capital or restructure or refinance all or a portion of its debt. There can be no assurances that the Group would be able to accomplish any of these measures in a timely manner or on commercially reasonable terms, if at all. In addition, the terms of the Group's existing and future indebtedness may limit its ability to pursue one of these alternatives. For a description of the Group's financial liabilities, including financial derivative instruments, by relevant maturity based on the remaining contractual periods as of December 31, 2019, see Note 8 "Financing and financial risk management" on the liquidity risk set forth in Section 3.4 "Consolidated financial statements and Statutory Auditors' report for the fiscal year ended December 31, 2019" of this Universal Registration Document.

For some of the debt arriving at maturity, the Group anticipates that it will seek to refinance or otherwise extend its debt instruments' maturities. The Group's ability to invest in its businesses and refinance maturing notes could require access to the credit and capital markets and sufficient bank credit lines to support cash requirements. The Group may also experience difficulties in obtaining financing in foreign countries for local operations. If the Group is unable to access the credit, securitization and capital markets, the Group could experience a material adverse effect on its liquidity, financial position or results of operations. In addition, the Group's available financing could be decreased, or its financing costs increased, as a result of factors which are beyond its control, including the insolvency, deterioration of the financial position, a change in law or a change in credit policy of one or more of the Group's lenders, certain of which are local or regional lenders.

It should be noted in this respect that in the context of the Covid-19 pandemic, the Group launched an unprecedented cost reduction and cash protection plan announced on March 23, 2019, including reduced fleet volume, a freeze on capital expenditure, the cancellation of the dividend payment for 2019 and the implementation of a financing plan designed to consolidate the Group's liquidity and allow it to address its vehicle financing and corporate needs related to the impacts of the Covid-19 pandemic (see Section 1.2.3 "Significant subsequent events" and Section 3.2.3.5 "Description of financing entered into after December 31, 2019" of this Universal Registration Document). At this date of this Universal Registration Document, the Group is still in talks with some countries in which it operates, for the purpose of obtaining government-guaranteed loans if possible, to strengthen its liquidity in the overall framework of its financing arrangements.

2.4.4 The Company is a holding company whose ability to generate cash comes from its subsidiaries

The Company is a holding company and its principal assets consist of direct and indirect investments in its different subsidiaries that generate the Group's cash flow (see Section 1.7.1 "Simplified Group organizational chart" of this Universal Registration Document). The Company's ability to generate cash to meet its debt service obligations or to pay dividends on its shares is dependent on the earnings and the receipt of funds from its subsidiaries. If the profits of its operating subsidiaries decrease, the Group's profits and cash flow could be affected.

The cash flow of the Group's parent company is primarily derived from dividends, interest and repayments on intra-group loans and asset transfers by its subsidiaries. The ability of the Group's operating subsidiaries to make these payments depends on economic, commercial, contractual, legal and regulatory considerations. Any potential decrease in profits, or potential failure by the Group's subsidiaries to make payments to other Group subsidiaries or to the Company could have a material adverse effect on the ability of the subsidiaries or the Company to repay their debt and meet other obligations, which could have a material adverse effect on the Group's business, results of operations and financial position.

2.4.5 Risks related to the Group's potential inability to continue financing vehicle acquisitions for its fleet

The Group relies significantly on fleet asset-backed financing to purchase vehicles for its domestic and international vehicle rental fleets. Currently, it relies mainly on the SARF, the EC Finance Notes and the Club Facility in the UK. See Section 3.2 "The Group's liquidity and capital resources" in this Universal Registration Document.

If the Group's access to asset-backed financing were reduced or the cost of such financing were to increase, the Group may not be able to refinance or replace its existing asset-backed financing or continue to finance new vehicle acquisitions through asset-backed financing on favorable terms, or at all. The Group's asset-backed financing capacity could be decreased, or financing costs could be increased, as a result of risks and contingencies, many of which are beyond the Group's control, including, without limitation:

- the scale of the Covid-19 pandemic, its spread, and its consequences, including a possible worsening of the situation and/or of the scale of the consequences;
- requirements by the rating agencies that provide credit ratings for the Group's asset-backed indebtedness to change the terms or structure of the Group's asset-backed financing, including increased credit enhancement (i) in connection with the incurrence of additional or refinancing of existing asset-backed debt, (ii) upon the occurrence of external events, such as changes in general economic and market conditions or deterioration in the credit ratings of the Group's principal vehicle manufacturers, including Volkswagen group, Fiat, Ford, Renault or Peugeot Citroën, or (iii) otherwise;
- the insolvency or deterioration of the financial position of one or more swap counterparties or financial institutions acting in certain capacities under the asset-backed financing of the Group;
- the occurrence of certain events that, under the agreements governing the Group's existing asset-backed financing, could result, among other things, in particular in (i) an amortization event pursuant to which payments of principal and interest on the relevant indebtedness may be accelerated, or (ii) a liquidation event of default pursuant to which the security trustee or relevant creditors would be permitted to require the sale of fleet vehicles that collateralize the asset-backed financing;
- legal and regulatory changes (including the implementation of the changes under Basel III) that have an adverse impact on the Group's asset-backed financing structure.

Any disruption to the Group's ability to continue to finance new vehicle acquisitions through asset-backed financing, or any negative development in the terms of the asset-backed financing available to the Group could cause the Group's cost of financing to increase significantly and have a material adverse effect on the Group's financial position and results of operations. The Group may seek in the future to finance or refinance new vehicle acquisitions through such other means. No assurances can be given, however, as to whether such financing will be available, or as to whether the terms of such financing will be comparable to the existing asset-backed financing.

2.4.6 Risks related to covenants included in the Group's debt instruments

The Group and the Group's subsidiaries are subject to restrictive covenants contained in the Group's debt instruments. These covenants restrict, in certain circumstances, the ability of certain of the Group's subsidiaries to make payments to the Group which could, in turn, affect the Group's ability to make payments under the Group's debt instruments. These covenants, however, do not include requirements to maintain a certain rating or any repayment or interest step-up clauses based on a downgrade in the Group's credit rating.

The RCF contract, the indentures governing the outstanding 2024 Subordinated Notes, the 2026 Subordinated Notes and the EC Finance Notes contain the usual clauses stipulating that any payment default or early redemption concerning overall indebtedness of €50 million or more (in the case of the RCF, the outstanding 2024 Subordinated Notes, the 2026 Subordinated Notes and the EC Finance Notes) of the Company or its subsidiaries also constitutes a case of default under the terms of these contracts. The RCF, the facilities for fleet financing in the United Kingdom and some of its other facilities, namely in Australia/New Zealand and Denmark, also require the Group or some of its subsidiaries to maintain specific financial ratios and satisfy certain financial tests. The Group's ability or the ability of the Group's subsidiaries to satisfy these financial tests can be affected by events beyond the Group's control, and there can be no assurances that the Group or its subsidiaries will satisfy them.

A breach of one of these undertakings, ratios, tests or restrictions may lead to a default under the terms of the RCF contract or the outstanding 2024 Subordinated Notes, the 2026 Subordinated Notes and the EC Finance Notes, or adversely affect the Group's ability to borrow under the terms of the RCF contract or other forms of indebtedness, which could have a materially adverse effect on the Group's ability to conduct its business and pay its debts. Upon the occurrence of any event of default under the RCF contract, the lenders thereunder could cancel the availability of the facilities and elect to declare all amounts outstanding thereunder, together with accrued interest, immediately due and payable. If the Group were unable to repay these amounts, the lenders could, subject to the terms of the "Intercreditor Agreement", proceed against the collateral granted to them to secure repayment of these amounts. If the lenders under the terms of the RCF should demand the repayment of these amounts, there is no guarantee that the assets of the Group's subsidiaries would suffice to repay the entirety of these sums or to satisfy all the other Group liabilities that would become due and payable: for further information, see Section 3.2 "The Group's Liquidity and Capital Resources" of this Universal Registration Document.

The SARF also includes significant restrictive clauses applicable to some special-purpose entities created in connection with the asset-backed financing, such as Securitifleet Holding S.A. ("Securitifleet Holding"), the special-purpose entity handling the financing of fleet purchases and its rental with Securitifleet companies in France, in Italy, in Spain and in Germany and the Goldfleet companies in France, Spain and Italy. Failure to satisfy these covenants and conditions could result in a decrease in the advance rate and an increase in the margin under the SARF, or a default thereunder. In addition to customary default provisions, the SARF provides that any acceleration with respect to the Senior Revolving Credit Facility, the 2024 Subordinated Notes, 2026 Subordinated Notes, or the EC Finance Notes will constitute a "level 2" event of default under the SARF (see Section 3.2 "The Group's Liquidity and Capital Resources" of this Universal Registration Document). A breach of any of these covenants, ratios, tests or restrictions could result in an event of default under the SARF or hinder the ability of Group companies to borrow under such facilities. Upon the occurrence of any event of default under the SARF (including as a result of acceleration of the Senior Revolving Credit Facility or the notes of the Group), the lenders thereunder could cancel the availability of the facilities and elect to declare all amounts outstanding under the SARF, together with accrued interest, immediately due and payable.

The Group's debt instruments include covenants whose aim is to, inter alia; limit the ability of the Company and certain of its subsidiaries to:

- incur additional indebtedness;
- pay dividends or make any other distribution;
- make certain payments or investments;
- issue security interests or guarantees;
- sell or transfer assets or shares;
- engage in transactions with affiliates;
- merge or consolidate with other entities.

These limitations are subject to various conditions and exceptions, including the ability to distribute dividends and make investments under certain circumstances. However, these covenants could limit the Group's ability to finance its future operations and capital needs and its ability to pursue business opportunities and activities that may be in its interest. In addition, the Group's ability to comply with the covenants in its debt instruments may be affected by events beyond its control.

The obligations of Securitifleet Holding under the SARF together with its obligations to repay the proceeds borrowed under a proceeds loan between EC Finance plc and Securitifleet Holding (the "Securitifleet Proceeds Loan") (which would allow EC Finance plc to repay the proceeds of the EC Finance Notes) are secured directly or indirectly by shared collateral as described in Section 3.2.3.2 "Debt Related to Fleet Financing" of this Universal Registration Document.

2.5 REGULATORY AND LEGAL RISKS

2.5.1 Risks related to changes in prevailing legislation and regulations, applicable to the Group's business activities **(high risk)**

Operating in over 140 countries and territories throughout the world, the Group (directly or via franchises, agents or partnerships) is subject to a vast array of international, national and local laws and regulations.

The Group's international presence exposes it to various risks, including in particular: (i) compliance with legal and regulatory requirements in each country where it operates, particularly with regard to regulations in the following fields: taxation, automobile liability insurance, consumption, marketing, insurance rates, insurance products, consumer personal data, data protection, combating money laundering and corruption, labor laws, cost and fee recovery, price control and the protection of the Group's brands and other intellectual property rights, (ii) foreign currency translation and limitations in terms of income transfers, (iii) the various tax systems, including the consequences of changes in applicable tax laws, (iv) local ownership or investment requirements, as well as the difficulty in obtaining financing for local operations in some countries, and (v) potential political and economic instability, employee strikes, natural disaster, armed conflicts and terrorism. The occurrence of these risks may, individually or in the aggregate, materially adversely affect the Group's business, results of operations or financial position.

Changes to laws, regulations, case law or to any other rules applicable to the Group's business as well as, more generally, any change in the decision-making process of the competent authorities could affect the Group's liability, or the way the Group tracks and monitors regulations to which it is subject, and the Group's business in France or outside France could be non-compliant with applicable laws and regulations for which the Group would be liable. Non-compliance by the Group with the laws and regulations to which it is subject, both in France and abroad, could potentially also lead to different types of sanctions, including the restriction, suspension or ban of certain activities and the imposition of fines, payment of compensation or other penalties. Any of these incidents could have a material adverse effect on the Group, its financial position, results of operations, reputation or prospects. Even if the changes to laws, rules or regulations do not apply directly to the Group, their effects on its customers or partners may have an indirect and material impact on how the Group carries out its business or the associated costs, as well as on the demand for the services the Group supplies.

2.5.1.1 Risks related to compliance with Consumer Protection regulations

The Group's B2C activity is regulated by current consumer protection rules. Therefore, any change to these laws, their implementing texts or prevailing legal precedents on issues such as, in particular pricing transparency, non-tariff barriers to trade, unfair terms, presale disclosure requirements or obtaining informed consent, will have to be implemented, which may, as applicable, imply costs (information systems development costs, logistics costs, etc.) and/or a change in commercial practices. For example, the adoption of regulations affecting or limiting the sale of supplementary insurance or a new interpretation of regulations by the competent authorities could entail a reduction or loss of these revenue sources and have a material adverse effect on the Group's profitability.

Non-compliance with the rules of consumer law may also, on one hand, affect the Group's reputation and image, especially in the event of communication from consumer associations, litigation or sanctions from the authorities and potential media coverage, and on the other hand, the Group's operating income and financial position due to the penalties and sanctions that may be imposed. The Group's activities may indeed be subject to investigations by authorities in charge of ensuring consumer protection, which may lead to significant financial sanctions and media coverage prejudicial to the Group's image and reputation. Consumer associations may bring class action suits, which also could create a new risk for the Group, owing to the media coverage associated with of legal action and the consolidated amount of potential fines. Certain Group entities, which are subject to regular scrutiny or more in-depth investigations by consumer authorities, maintain dialogue with these authorities and consumer associations.

Moreover, in the context of the cooperative process between the national authorities of member States of the European Union that are responsible for applying legislation for the protection of consumers pursuant to regulation (EU) No. 2006-2004, a dialogue was opened by the European commission aimed at improving consumer experiences (in particular the transparency and suitability of contractual terms) within the European Union. In this respect, the Group made undertakings to the European commission during the 2015 fiscal year, including the adoption of new general rental conditions and the clarification of the insurance and contractual guarantee policy in the event of damage caused to the vehicle. In January 2017, the European commission praised the Group's commitments. Throughout the 2019 fiscal year, the Group continued its discussions with the European commission and the relevant national authorities to continue improving its practices. If they conclude that the Group has made insufficient changes to its sales policy to address expectations, it could have a material adverse effect on the Company's revenue and results of operations.

Finally, in most jurisdictions in which the Group operates, the Group passes various costs on to its customers, including airport concession fees, as separate fees in connection with vehicle rentals. Nevertheless, the industry may in the future be subject to potential legislative or administrative changes that may limit, constrain and/or prohibit the possibility to indicate, bill and collect these separate fees, which would result in such costs being reallocated back to the Group. If such measures were adopted at the national or European level, they could have a material adverse effect on the Group's revenue, results of operations or prospects.

2.5.1.2 Risks related to compliance with personal data protection regulations

Changes in the regulations for protection of personal data could also have a material adverse effect on the Group's business. European directives and regulations as well as national rules in the various countries where the Group operates restrict the types of data it can collect on people it deals with or wishes to deal with, as well as the way it collects, stores and uses the data that it is allowed to collect. In particular, European General Data Protection regulation No. 2016/679 of April 27, 2016 came into force on May 25, 2018 (the GDPR). It mandates the strengthening of the information and the rights of those concerned as well as stricter methods for obtaining consent. Certain breaches of the GDPR could lead to fines of up to €20 million or 4% of global annual revenue, whichever is the higher amount.

In addition, the centralized nature of the Group's IT systems requires a regular cross-border flow of customers' and prospects' data beyond the country where it was taken. If this data flow becomes illegal or starts to generate additional infrastructure costs the Group's capacity to serve its customers may be materially affected for an indefinite period. More generally, the GDPR requires the Group to keep detailed documentation of all its personal data flows and processing in order to facilitate any audits by the relevant data protection authorities.

Other legislative changes or bilateral agreements on customer data processing, customer data confidentiality and data security could also have a material adverse effect on the Group's business.

Also, although the Group has in place procedures and IT resources to keep personal and banking data secure, data theft, piracy of security systems, identity fraud or theft of customers' banking data could have a material adverse effect on the Group's reputation, revenues, results of operations or prospects. In this respect, for the GDPR, the Group is required, under certain conditions, to notify the relevant authorities of its personal data breaches, and the people concerned.

The imposition of fines or damages which could potentially be payable by the Group as a result of procedures relating to data protection law could have a material adverse effect on the Group's liquidity and financial position, leading it to seek additional financing or resources.

2.5.1.3 Risks related to environmental and health and safety rules

The Group has its own installations for storing petroleum products as well as centers for washing and maintaining vehicles. The Group's businesses are subject to environmental laws and regulations, particularly as regards (i) owning and operating petroleum product storage facilities, e.g. gasoline and diesel, and (ii) production, storage, transportation and disposal of waste, including sludge from vehicle washes, waste water and other hazardous substances.

Environmental legislation has progressed significantly in recent years and continues to develop. Public authorities and courts can impose fines or civil or criminal penalties, and order repairs or clean-ups of pollution in the event of non-compliance with environmental regulations. Also, in some cases, the authorities can amend or revoke the Group's operating licenses, which could force it to close down temporarily or permanently the installations in question and pay the resulting costs of closure, maintenance and repair. Bringing the Group into compliance with environmental law and regulations could have an effect on its results of operation and financial position.

Each Group subsidiary is responsible, in the country in which it operates, for ensuring that its storage facilities comply with local regulations in that country in order to ensure that they (i) are properly reported to the competent authorities of the countries in which they are located; and (ii) have been replaced or upgraded to comply with applicable requirements on the detection of leaks and protection against spills, overflows and corrosion. However, there can be no assurance that daily use of these tank systems may not result in leaks which, while insignificant on a daily level, have a cumulative material effect over time.

Furthermore, international law and regulations have historically and will likely continue to contemplate numerous measures related to greenhouse gas emissions and climate change. If rules designed to cap emissions or tax the companies seen as responsible should come into force, it could affect demand for the Group's services and the vehicle fleet and/or other costs could rise with adverse implications for its results of operation and financial position.

2.5.1.4 Risks related to compliance with regulation of franchisees

The Group has national and international franchisee networks that help the Group achieve wide territorial coverage and contribute to its revenue. Legislative, regulatory, administrative and jurisprudential changes as well as changes in the conditions, application or interpretation of old and recent texts governing such contractual relationships, particularly changes in precedents impacting the content of contracts (through, for example, a legal review of terms and conditions previously negotiated), or limiting the franchiser's ability to cancel franchise contracts (for example, by requiring an indemnity payment in the event of termination), or refusing the renewal or transfer of these agreements, could have a material adverse effect on the Group's business, financial position and results of operations.

Although independent, franchisees must comply with the knowledge requirements and standards defined by the Group, in compliance with the laws and regulations applicable to their business. Non-compliance by franchisees with these rules could have a material adverse effect on the Group's reputation and business in the countries affected.

2.5.2 Risks related to liability and insurance

The Group's business generates significant risk with respect to automobile civil liability. Vehicles from the Group's fleet entrusted to its customers or employees may be involved in cases of physical injury and death or property damage caused to third parties. The Group has purchased an automobile insurance program covering civil liability for bodily injury (including death) and property damage to third parties resulting from the use of its rented vehicles. If the Group were not able to renew its automobile insurance under acceptable commercial terms, or to find alternative and equivalent coverage, it would be unable to rent its vehicles. Historically, automobile insurance premiums calculated per rental day, have both trended upward and downward, reflecting trends in the insurance market and the Group's own loss ratio. The availability and cost of coverage should remain the controlling factors in the future. Furthermore, there are only a limited number of insurers that are prepared to offer multinational automobile insurance programs. For example, the Group has implemented an insurance program in Belgium, France, Germany, Italy, Portugal, Ireland and the United Kingdom (the "Europrogramme") with AIG Europe SA. ("AIG"). There can be no assurance that the Group's insurance premiums will not increase in the future.

Historically, a significant share of the Group's exposure to civil liability, in particular automobile civil liability, has remained the Group's responsibility under its insurance policies. As part of the Europrogramme, accidents, or the share of accidents related to automobile civil liability, less than or equal to €500,000 per accident are "self-insured" by the Group. In this case, AIG covers third parties, under local insurance policies subscribed to by the Group's subsidiaries, and is reimbursed by the Group. There can be no assurance that the remaining amount payable by the Group will not significantly increase in the future. Furthermore, with respect to insured risks, there can be no assurance that current or future liability claims will not exceed the Group insurance policy levels. The occurrence of such an event could have a material adverse effect on the Group financial position. See Section 2.6 "Risk Management Procedures" of this Universal Registration Document.

Moreover, the Group bears the risk of damages to vehicles it owns and to its business beyond its automobile fleet. The Group has decided not to purchase an insurance policy against these risks. Over the long run, the Group considers that insuring property damage to its fleet and theft of vehicles would be greater than or equal to actual costs of damages and theft. Nevertheless, there can be no assurance that the Group will not be exposed to non-insured damages from asset-related risks, whose levels may be greater than historical levels, and which could have a material adverse effect on the Group's financial position and results of operations. See Section 2.6 "Risk Management Procedures" of this Universal Registration Document.

2.5.3 Risks related to the protection of intellectual property rights

The Group's business and its future growth depend on its ability to obtain, maintain and protect its trademarks, domain names, and "GreenWay®" technology (see Section 1.6.8.1 "The GreenWay® System" of this Universal Registration Document) and other intellectual property rights. The Group grants operating licenses of its trademarks and other intellectual property rights (including those it uses under licenses) to its franchises, agents and service providers (see Section 1.9.2 "Intellectual Property, Licenses, Usage Rights, and Other Intangible Assets" of this Universal Registration Document). The Group, its franchisees, agents, affiliates or service providers may not be able to adequately protect these trademarks and other intellectual property rights against challenges to their validity, violations and abusive use by third parties, in particular in markets in which the Group has not been active in the past.

Furthermore, some of the intellectual property rights used by the Group were granted to it by partners pursuant to cross-license agreements under which they are granted to the Group's companies. An exclusive license on certain brands in countries where the Group is established or has a franchise, excluding countries where the partner operates directly (see Section 1.9.2 "Intellectual property, licenses, user rights and other intangible assets" in this Universal Registration Document). An inability to continue using these intellectual property rights could have a material adverse effect on the Group's business. Moreover, the Group relies on this third party to take adequate measures in order to protect and enforce its intellectual property rights, which it has granted to the Group under a license. It is also possible that disputes arise as part of the Group's use of trademarks subject to licenses, particularly when the interests of the licensor and those of the Group diverge as market conditions change. The Group may be ordered to pay significant damages and interest, discontinue the sale of services violating the intellectual property rights in question and incur additional expenses to sign, where applicable, licenses allowing it to use the disputed intellectual property rights.

Similarly, any material violation of the Group's intellectual property rights could entail disputes, which may also result in costs and commercial uncertainty for the Group. Any of these incidents could have a material adverse effect on the Group, its financial position, results of operations or prospects.

2.5.4 Risks related to regulatory, legal and arbitration proceedings

In the ordinary course of its business, the Group is involved or likely to be involved in a certain number of regulatory, legal or arbitration proceedings, the more significant of which are described in Section 2.9 "Regulatory, legal and arbitration proceedings" of this Universal Registration Document. In certain of these proceedings, claims of a significant amount have been made against companies of the Group or are likely to be made individually or jointly and sanctions, in particular administrative ones, could be imposed on companies of the Group. If any, the imposition of sanctions on companies of the Group could have a material adverse effect on the Group's business, its financial position, results of operations and prospects. In addition, any provisions recorded by companies of the Group, with respect to regulatory, legal and arbitration proceedings in its financial statements could be insufficient (for a description of these disputes, see Section 2.9 "Regulatory, legal and arbitration proceedings" of this Universal Registration Document), which could have a material adverse effect on the Group's business, results, financial position, liquidity or prospects, independently of the claim's underlying validity.

2.5.5 Risks related to competition law

The Group's business activities may be subject to proceedings or investigations related to competition law that could adversely affect the Group's business, operating income and financial position. The Group could be held liable for any failure to comply with competition rules, either directly or indirectly (including because of a failure by one of the Group's agents, franchisees or partners) by both the competition authorities and the injured parties, which could result in significant negative consequences for the Group, particularly with respect to its reputation, financial position or prospects. Certain Group entities are subject to investigations and/or proceedings by different administrative authorities relating to competition law and/or marketing practices and price setting.

The imposition of fines and/or damages that could potentially be payable by the Group as a result of competition law proceedings could have a material adverse impact on its liquidity and financial position.

2.6 RISK MANAGEMENT PROCEDURES

2.6.1 Risk management structure

Risk management represents the measures implemented by the Group to identify and analyze the risks to which it is exposed during the ordinary course of business. Risk management is deemed a priority by the Group's management and is closely monitored by the Group Internal Audit Department. The Group's internal control and risk management procedures are based on a set of measures, policies, procedures, and customized actions aiming to ensure that the necessary measures are taken to:

- ensure the efficiency of operations and the efficient use of resources;
- identify, analyze and control risks that could have a material effect on the Group's assets, results, operations or achievement of its objectives, whether they are operating, commercial, legal or financial or related to compliance with laws and regulations.

The Group's risk management process is also monitored by the Supervisory Board through the Audit Committee. The Audit Committee ensures the relevance, reliability and implementation of internal control procedures and identification, hedging and management of the Group's risks in relation to its activities as well as accounting and financial information.

Controlling risk exposure in each country in which the Group's companies operate depends on local management teams, who are as close as possible to the risks related to the activities they exercise or supervise.

2.6.2 Main risk management procedures

Group's risk map

The Group Internal Audit Department regularly prepares and updates a risk map for the Group and its subsidiaries. The risk map is presented to the Audit Committee and Group Executive Committee, which study and examine it and decide upon the actions and the specific monitoring of certain risks.

The risk identification process relies on a three-step methodology:

- identifying the main risks through interviews with high-ranking Group executives and other key staff within the Group in order to identify the risks to which their scope of consolidation is exposed. These interviews are carried out by the Group Internal Audit Department;
- qualifying and quantifying risks: once these risks are identified, a ranking is established based on the estimated impact of each risk and the likelihood of its occurrence. Risks identified as having severe impacts and a strong probability of occurring are mapped as "highly critical". Conversely, risks identified as having little impact and a weak probability of occurring are mapped as "moderately critical". The mapping thus completed for a given year serves as a comparison to the one prepared the previous year and facilitates an assessment of change in the risks confronting the Group. The resulting map obtained for a given year (i) provides a comparative tool with the previous year's map, and helps in understanding the development of risks to which the Group is exposed. (ii) allows the Group to set up a dashboard with the estimated degree of control of each of the identified risks and to identify those that must be dealt with in priority, as well as to ensure that internal control is adequate to prevent and detect them;
- reviewing and validating the risk map by the Group Executive Committee and presenting it to the Audit Committee.

Pursuant to this methodology, the Group updated both the content and execution of its risk mapping in the second half of 2019, by identifying 17 key risks for the Group.

Risk monitoring and action plans

Depending on the principal risks identified, the concerned departments draw up action plans to be carried out by the local managers of the departments in question. The Group Internal Audit Department is working on implementing tools and processes for better and more formal monitoring of the action plans.

Monitoring the financial risks related to the effects of climate change

Article L. 225-37, paragraph 6, of the French Commercial Code, as amended by law No. 2015-992 of August 17, 2015 relating to energy transition for green growth, states that starting in fiscal years ending December 31, 2016, the Group's report must cover "the financial risks related to the effects of climate change and the measures taken by the Company to reduce these risks by implementing a low-carbon strategy in all areas of its business."

Chapters 2 and 4 of this Universal Registration Document on risk factors and the statement of non-financial performance include all legally required information. They can be summarized as follows:

- the Group has implemented a comprehensive CSR governance and organization, under the authority of the CSR manager, which covers all of the Group's operations (see Section 4.1.3 "CSR Organization and Governance" of this Universal Registration Document);
- the Group's business is highly sensitive to the seasons and climate conditions. This risk, as well as the control mechanisms implemented by the Group, is described in Section 2.1.3 "Risks related to the highly seasonal nature and sensitivity to weather conditions of the vehicle rental industry" of this Universal Registration Document;
- the vehicle rental business has limited sensitivity to the financial risks related to the effects of climate change. In fact, since 2016 the Group has initiated a comprehensive low-carbon strategy, described in Section 4.5 "Act for the environment" of this Universal Registration Document. This strategy maintains a minimized carbon imprint from all of the emissions related to the Group's direct business and promotes the smallest carbon imprint possible from the Group's customers through a set of concrete and measurable actions, such as advocating economic driving and offering a fleet using the latest technologies, always more oil and fuel efficient and with better GHG emissions performance;
- even though the Group complies with all the laws and regulations to which it is subject, Section 2.5.1.3 "Risks related to environmental and health and safety rules" of this Universal Registration Document notes that international law and regulations have historically and will likely continue to contemplate numerous measures related to greenhouse gas emissions and climate change. If rules designed to cap emissions or tax the companies seen as responsible should come into force, it could affect demand for the Group's services and the vehicle fleet and/or other costs could rise with adverse implications for its results of operation and financial position.

2.6.3 Insurance

In the course of its business activities, the Group is exposed to three main categories of risk requiring insurance coverage: (i) automobile-related civil liability, (ii) damage to property (vehicles owned by the Group) and (iii) the risks related to its business activities (excluding the automobile fleet).

A dedicated Insurance Department oversees in a centralized manner the insurance strategy of the Group's fleet as well as the other business-related risks management processes. This centralized management is carried out in connection with dedicated personnel located in each Corporate Country. The Group does not manage insurance covering its franchises, which remains their own responsibility in accordance with the terms of the standard franchise contracts implemented by the Group.

In the context of external growth, the Group is required to analyze the insurance coverage in the companies it acquires, ensure that the risk management and insurance strategy is adequate and that all the necessary insurance policies required for the business are in place. When insufficient guarantees are identified in a newly acquired entity, it may take several months before adequate insurance policies in compliance with the Group's risk management strategy become effective for the recently acquired entity.

Once this analysis has been completed and the deficiencies rectified, the Group will study the option of replacing the acquired company's insurance coverage by its own policies.

In countries in which the Group operates, it is generally required by liability laws to purchase insurance covering its risks related to motor liability against bodily injury and accidental death or property damage caused by its customers to third parties and resulting from the use of its vehicles, whether they are owned, rented or loaned. If these vehicles are not insured by the Group, they cannot be put into circulation. As a result, coverage of the Group's motor vehicle liability is critical for the running of its business.

2.6.3.1 Motor vehicle liability

Europrogramme (Belgium, France, Germany, Italy, Portugal, Ireland and the United Kingdom)

To address the risk of its motor liability, the Group has implemented an insurance program in Belgium, France, Germany, Italy, Portugal, Ireland and the United Kingdom, the "Europrogramme". A corporate insurance program allowing each subsidiary operating in each country participating in the program to benefit from motor vehicle liability insurance from its local AIG Europe Ltd branch. ("AIG") established in the country in which the subsidiary operates.

Under the Europrogramme, third party claims or the share of third party claims related to motor liability less than or equal to €500,000 per accident are "self-financed" through various schemes (Deductible fund, Loss Retention agreement and a reinsurance captive in the Euroguard Protected Cell, PCC). In this case, AIG covers third parties, under local insurance policies purchased by the Group's subsidiaries, and then recovers sums up to the amount of €500,000, from Europcar or Euroguard.

The share of claims triggering the Group's motor vehicle liability that exceeds the threshold of €500,000 per claim is transferred to AIG. The maximum coverage limit provided for by the insurance policy, including the amount of €500,000 per claim that is the Group's responsibility as described above, stands at a total of at least €100 million per member country of the Europrogramme, £85 million in the United Kingdom and, may, in certain countries, exceed this amount when required by local legislation.

For the fiscal year ended December 31, 2019, the estimated total cost of the Europrogramme was €100 million. The insurance policies that make up the Europrogramme were renewed for a three-year period effective January 1, 2019 to account for the December 31, 2029 expiration date of the previous long-term contract and they have more favorable terms and conditions than those obtained in 2018. This new long-term agreement, which took effect on January 1, 2019, defines the general framework of the Europrogramme and its annual renewal conditions, in particular the factors that determine the amount of premiums and fees payable by the Group for each year of the program.

Spain

Europcar Spain's motor vehicle liability is not covered within the Europrogramme. It is insured through a standard risk transfer policy from Allianz Spain since January 1, 2009. This insurance policy was renewed on April 1, 2018 for three years. The overall limits of this policy are €70 million for bodily injury and €15 million for property damage, which may be increased under certain conditions with additional coverage of €50 million ("Coverage"). The total cost of the insurance premium for the fiscal year ended December 31, 2019 stood at €9.5 million.

Australia and New Zealand

The motor vehicle liability risks to which the Group is exposed as a result of its operations in Australia and New Zealand are covered by the mandatory "Third Party Bodily Injury" regime administered by the State and automatically purchased when a vehicle is registered. It is combined with an "Own Damages" policy covering the market price for vehicles worth over AUD 50,000 and a "Third Party Property Damages". A surplus shall be charged for all claims amounting to AUD 20,000 and a ceiling of approximately AUD 30 million (approximately €20.5 million). Effective May 1, 2015, the insurance policy became QBE and was renewed in 2018, as it will be again in 2019. The total cost of the insurance premium for the fiscal year ended December 31, 2019 stood at €0.2 million.

Denmark

Europcar's automobile-related civil liability risks that fall outside Europrogramme are covered by a local insurance policy taken out with the company TRYG. This policy is renewed at an annual frequency.

Under this policy, TRYG indemnifies third parties for personal injury and damage to property. The insurance premium amounted to DKK 18.6 million in 2019 (approximately €2.5 million).

Goldcar

Europrogramme does not cover Goldcar's liability for vehicles. Goldcar is insured via standard risks transfer policies in the various countries. In some countries, Goldcar has several policies in place, which enable it to not depend on a single insurance company and to take advantage of market opportunities.

Policies are renewed annually and stipulate the premiums and expenses to be paid by Goldcar to receive this coverage.

Under this policy, Goldcar indemnifies third parties for bodily injury and property damages. The insurance premium was €16.8 million in 2019.

Buchbinder

Europrogramme does not cover Buchbinder's liability for vehicles. Buchbinder is insured via standard risks transfer policies in the various countries. In some countries, Buchbinder has several policies in place, which enable it to not depend on a single insurance company and to take advantage of market opportunities.

Policies are renewed annually and stipulate the premiums and expenses to be paid by Buchbinder to receive this coverage.

Under this policy, Buchbinder indemnifies third parties for bodily injury and property damages.

Buchbinder had also set up its own indemnification program for part of the fleet. This type of coverage, which is not used by Europcar (see Section 2.6.3.2 of this Universal Registration Document), was terminated in 2019 and has not been renewed.

The insurance premium was €38 million in 2019.

Finland/Norway

Europrogramme does not cover the liability of Finland and Norway for vehicles. They are insured via standard risks transfer policies in the various countries. It must be noted that Norway has a vehicle damage insurance program (casco).

Policies are renewed annually and stipulate the premiums and expenses to be paid by these countries to receive this coverage.

The insurance premium was €1.5 million in 2019 (for six months).

Ubeeqo

Europrogramme does not cover Ubeeqo's liability for vehicles except for Ireland (GoCar) which has been covered by Europrogramme since June 2019. Ubeeqo is insured via standard risks transfer policies in the various countries.

Policies are renewed annually and stipulate the premiums and expenses to be paid by Ubeeqo to receive this coverage.

Under this policy, Ubeeqo indemnifies third parties for bodily injury and property damage. The insurance premium was €2.3 million in 2019.

Fox Rent A Car

Europrogramme does not cover the liability of Fox Rent A Car for vehicles.

Fox Rent A Car's third-party motor liability is covered by an insurance captive (KEOKA Insurance) owned by Fox Rent A Car. This captive is managed and reinsured by a subsidiary of Zurich American Insurance Company, Empire Fire and Marine Insurance Company. This third-party motor liability covers the compulsory insurance part in each State and offers additional coverage (up to €1 million).

Under this policy, Fox Rent A Car indemnifies third parties for bodily injury and property damage. The insurance premium was €0.6 million in 2019 (for two months).

Factors affecting the increase in motor third party liability costs

For the fiscal year ended December 31, 2019, the total cost (including the share of "self-financed" risks and premiums) of the Group to cover its risks and mainly its motor liability risk (Europrogramme, Spain, Australia and New Zealand, Goldcar and Buchbinder, Finland/Norway, Ubeeqo and Fox Rent A Car combined) was €177 million, of which €102 million for the countries being part of the Europrogramme that corresponds to the coverage of accidents "self-financed" by the Group, the insurance premium of the AIG excess layer, claims management fees, administrative and brokerage fees as well as related taxes. The average claims maturing time during which the costs of claims are borne by the Group is approximately three years. Liability insurance is by nature long-tail insurance and the most severe claims may remain active for several years, or even tens of years or more in extreme cases. Motor liability insurance cost, stated on a comparable basis (per rental day) have historically trended both upward and downward, reflecting (i) the cost of the market capacity in terms of motor liability insurance and (ii) the Group's own motor liability claims records, these two factors being significantly influenced by the availability of insurance capacity on the market and increases in property damage claims and especially severe bodily injury claims (cases of death and disability). The Group believes that these two factors will continue to influence insurance costs in the future.

The aim of the Group is to integrate the different countries and acquisitions within the coverage provided by by Europrogramme, to the extent they are not already covered by this program. Comparative studies are launched during policy renewals as was the case in 2019 for Buchbinder and some Goldcar countries.

2.6.3.2 Property damage – vehicles owned by the Group

In most countries in which the Group operates, the Group does not insure the property damage to its vehicles and is taking the charge related to the risk of damage to its fleet. Over the long run, the Group considers that insuring property damage to its fleet and theft of vehicles would be greater than or equal to actual costs of damages and theft. The Group's rental agreements generally stipulate that the customer is, subject to certain exceptions, responsible for any deterioration or damage (including damage as a result of theft) to the rented vehicles.

The cost of damages to the Group's vehicles for collisions in which third parties are not involved, the cost of damages to the Group's vehicles for which the Europcar driver is responsible and the cost of stolen or missing vehicles, as well as damages caused to the Group's property, are expensed as they are incurred. For the fiscal year ended December 31, 2019, expenses related to damages caused to the fleet (including repair work) and to the loss or theft of vehicles, net of recoveries, were €89.2 million.

The cost of damages to property or of theft not insured by the Group is partly offset by (i) proceeds from the sale of damage or theft waivers and (ii) the recovery of deductibles that remain applicable (see Section 2.6.3.4 "Optional coverage offered to customers" below).

2.6.3.3 Risks related to the Group's business (excluding its fleet)

In order to manage other risks related to the Group's business, or to comply with applicable laws, the Group has purchased and implemented other insurance programs, including a general liability insurance program, an environmental liability insurance program, an employer's practice liability insurance program related to employment practices, an insurance program covering fraud and misconduct, a directors and officers liability insurance program, a terrorist event insurance program covering direct damage to one of its facilities, an insurance risk related to cyber risk, and a property damage and loss of earnings program.

These insurance programs have been purchased from non-affiliated insurance companies for amounts deemed by the Group as reasonable given its risk profile, and secured terms and conditions considered by the Group as reasonable.

The Company has purchased a specific directors and officers insurance program for the Company's executives and major shareholder in order to cover certain risks related to the Initial Public Offering. It covers, in particular, defense and investigation fees, damages and interest, as well as insurable fines and penalties related to claims filed by the Company's new shareholders and proceedings initiated by the relevant stock market authorities following non-compliance with applicable regulations. This insurance policy took effect as of the date of the admission to trading of the Company's shares on Euronext Paris for a six-year term.

Any increase in claims or the potential failure by the Group or its subsidiaries to renew its insurance contracts under terms and conditions at least as favorable, could have a material adverse effect on the Group's business, results from operations and financial position.

2.6.3.4 Optional coverage offered to customers

Damage waivers in the event of damage without third-party implication or theft

The Group generally proposes ancillary products to its customers, such as partial waiver to recover, damage and theft protection, franchise buy-back product according to which the Group waives or limits its right to hold its customers financially liable for damage to the vehicle or losses to the Group. The purchasing this type of product transfers, for an additional fee or premium, the customer's total or partial cost liability to the Group.

Protection against costs related to flat tires, broken windshields and headlights

The Group proposes a product that covers the customer's financial liability in the event of a flat tire, broken windshield and headlight during the ordinary use of the rented vehicle.

Personal insurance (Personal Accident Insurance ("PAI") and Super Personal Accident Insurance ("SPAI"))

The Group proposes insurance products that allow occupants of its vehicles or their beneficiaries to receive lump sum indemnities in the event of accidental death or permanent disability following an accident occurring during the rental period. These products also contain a "medical expenses" component.

Such indemnities will be granted in addition to the compensation received by passengers considered third parties by the mandatory motor liability insurance regime and by a not-at-fault driver of the vehicle rented from the Group.

In the event where the driver of the vehicle rented from the Group is at fault, and as a result not covered under the mandatory motor liability insurance regime, insurance offered by the Group represents the driver's sole source of compensation (excluding a social security regime or insurance purchased elsewhere by the individual for personal use).

These three broad categories of products are available in sales agencies and from Europcar's website. The Group has taken out PAI and SPAI coverage with a leading market insurance company. The program has been standardized for the majority of Corporate Countries to enhance clarity for customers.

Any Group change in the legal or contractual conditions enabling the proposal and sale of these services, or the potential failure by the Group or its subsidiaries to propose them for sale to its customers or under less favorable terms and conditions could have a material adverse effect on the Group's business, results from operations and financial position.

2.7 ETHICS AND THE COMPLIANCE PROGRAM

The Group has developed a complete Ethics program (Compliance program) comprising a range of ethical principles, a structure covering the entire Group, and a multi-annual action plan.

Ethics Code

Europcar has developed a concrete and detailed set of ethical principles defining the professional behavior expected of the Group's representatives and employees. These principles are now included in the Ethics Code (Code of Ethics and Commitments) available on the Group's website (https://investors.europcar-group.com/static-files/5807e1dc-5768-4496-82e7-d7912da248a6). The Ethics Code became effective after review by the Management Board on January 25, 2016.

This Code is based on several international guidelines to which Europcar adheres in particular the United Nations Universal Declaration of Human Rights, the European Convention on Human Rights, various conventions of the International Labour Organization, and the OECD Guidelines for Multinational Enterprises.

Through the Ethics Code, the Group commits to respecting 12 major objectives towards its various stakeholders:

a) toward its customers and consumers:
- to communicate clearly and openly on the terms of access to the services (legal terms, rates),
- to guarantee the security and confidentiality of data;

b) toward its employees:
- to safeguard the health and safety of employees,
- to promote equal opportunities within the Group,
- to enable its employees to feel a sense of work accomplishment,
- to encourage positive work relations and freedom of expression of employees;

c) toward its industrial and commercial partners:
- to select industrial and commercial partners that can, in their respective countries, guarantee compliance with basic labor rights, in particular those defined by the International Labour Organization,
- to ensure mutual respect of the principles of loyalty in all industrial and commercial relations,
- to prevent all forms of active or passive corruption;

d) toward the stock market:

- to promote its success and act in ways that respect its shareholders, to gain their confidence. As a result, Europcar attaches great importance to the quality of information and ensures reliable and transparent communication with all its stakeholders,
- to prevent insider trading and unjustified use of confidential or privileged information;

e) toward the environment:

- to minimize the environmental footprint of its activities while ensuring respect of environmental regulations by reducing the pollution caused by its services and infrastructures and by limiting its consumption of energy and raw materials.

Overall, the Group has defined 48 concrete commitments to these 12 objectives.

The Ethics Code is communicated to all Group employees and has been shared with the various Europcar stakeholders. In 2017, the Ethics Code was supplemented by an anti-corruption guide (Code of Conduct) to respond to the anti-corruption aspects of law No. 2016-1691 of December 9, 2016, also known as the Sapin II law.

Compliance structure

Europcar compliance is based on a three-level pyramid structure:

- the Management Board, which is responsible for overseeing the Group's compliance program;
- the Compliance Committee, which is responsible for monitoring the compliance program and its control at Group level;
- the Group Compliance officer and the regional Compliance officers.

The Compliance Committee must meet once a year; it comprises the following managers:

- Company Secretary (Chairperson);
- General Counsel;
- Economic Law Director;
- Group Internal Audit Director;
- Group Human Resources Director;
- Compliance Officer, Great Britain;
- Compliance Officer of the Low Cost BU, Spain;
- Compliance Officer of the New Mobility BU;
- Compliance Officer of the Vans and Trucks BU;
- Group Compliance officer, acting as secretary of the Committee.

The Compliance Committee is tasked with monitoring and controlling the Compliance program at Group level and in particular:

- issuing advisory opinions to the Management Board regarding Compliance topics, to enable it to make decisions;
- proposing the rules of conduct and the Compliance Program for the Group to the Management Board which decides and votes, without delegation;
- regularly reviewing the program in accordance with the latest developments in published government guidelines and the organization's needs, as well as laws, regulations and procedures enacted by the government;
- defining the actions to implement the multi-annual plans at all levels;
- reviewing the annual compliance reports submitted to the Management Board;
- examining and managing alerts.

The Group Compliance officer and the local Compliance officers

The Group Compliance officer, with the assistance of the local Compliance officers, ensures the proper execution and implementation of all decisions taken by the Group in terms of ethics and prevention of corruption.

The Group Compliance officer is designated by the Chairman of the Group Compliance Committee in agreement with the Management Board. The Group Compliance officer reports directly to the Group Compliance Committee and is responsible for issuing an activity report at least once a year. The Group Compliance officer examines cases of reported alleged non-compliances.

A regional Compliance officer is appointed in each Corporate Country. The incumbent will be mainly in charge of implementing the compliance program locally. The local legal Department will, over time, play the role of the local Compliance officer.

Multi-annual compliance program

The multi-annual Compliance program sets out the main actions to be undertaken over a period of three years (2018-2020), including:

- disseminating the Ethics Code and developing appropriate procedures and documentation;
- establishing a professional whistle-blowing procedure: in 2018, and continuing in 2019, the Group initiated the deployment of an Internet platform enabling any person within the Company to report behaviors that conflict with the Group's ethics rules. These alerts will be dealt with by the Group Compliance officer with the strictest confidentiality and anonymity for the whistle blower. Whenever an investigation proves necessary, the Compliance Committee will make a recommendation based on a detailed report. The Management Board will make the final decision on ensuing actions;
- developing and/or proposing training programs to the management of each department concerned by the components of the Compliance program;
- assessing the performance of officers, heads and managers on the distribution and respect of the Europcar Compliance program;
- establishing a Purchasing Code and updating Group General Terms and Conditions and Terms and Conditions of Purchase.

Finally, the Group is currently rolling out the Compliance program along with the anti-corruption section of the Sapin 2 law.

The multi-annual Compliance plan will be updated as and when required in the light of these two new laws.

Control and corrective measures

Any significant deviation from the Group's rules will trigger an investigation to determine its cause. If it is found that the deviation was caused by irregular procedures or poor understanding of the rules, Europcar will take swift action to rectify the problem.

In the case of reported or apparent suspected non-compliance, the Group Compliance officer will rapidly take measures to investigate the behavior in question in order to determine whether or not a breach of the applicable law or the requirements of the Compliance program has occurred.

In such a case, the Group Compliance officer will determine the measures to be taken to rectify the problem and will present their report to the Group Compliance Committee and the Management Board for approval.

2.8 INTERNAL CONTROL PROCEDURES

The principles and working methods of the internal control systems are for the Group and the operational entities that fall under the Group scope of consolidation.

Furthermore, the internal control system applies to the entire Group (parent company and subsidiaries) irrespective of whether management has decided to carry out operating activities directly or via external service providers.

The Group has based its internal control system on the COSO Standard, developed and disseminated by the Committee of Sponsoring Organizations of the Treadway commission.

2.8.1 General organization of internal control

The primary actors in the internal control process are as follows:

a) **the Audit Committee**, in accordance with its duties defined in the French Commercial Code, ensures the relevance, reliability and implementation of internal control procedures and the identification, hedging and management of the Company's risks in relation to its activities and the generation of accounting and financial information. In particular, the Committee interviews the Group Director of Internal Audit and examines the risk map. It is regularly informed of the results of the internal control self-evaluation process. In addition, the Committee gives its opinion on the organization and resources of the Group Internal Audit Department and is informed of its audit program. It receives a periodic summary of the Internal Audit reports;

b) **the Management Board** is ultimately responsible for risk management and internal control and relies in particular on:

- the financial departments of the operating entities on the one hand,
- the operating and functional departments on the other hand;

c) **the Group Internal Control Department**, whose purpose is to facilitate assessment, monitoring and improvement of all Group internal control systems at the Headquarters, Country and Station levels. It uses a Group internal control manual and an annual self-evaluation process which covers all of the Group's operations and entities.

The Group Internal Control Department also relies on documents and rules that structure critical processes and are mandatory for all members of staff:

- the Group's values, setting out its commitments towards customers, staff and shareholders and outlining the principles on which the actions of senior management are based,
- the rules common to all Group entities are enacted by the Supervisory Board and the Management Board. These rules stipulate the measures applicable in the following instances:
  - delegations of authority to Group executives and corporate officers,
  - means of the executives' compensation,
  - investments and commitments given (such as bonds, endorsements and guarantees),
- the harmonization of financial processes currently underway through the setting up of a shared services center and of a unified IT system used by most entities,
- an internal control manual (titled "Emergence"), fully updated during fiscal year 2016, and updated annually since then, covering all functions and processes and adapted to the operational risks in stations.

A network of appropriately trained local correspondents (internal control Coordinators) coordinates the control systems defined by the Group in the various countries and subsidiaries;

d) **the Group Internal Audit Department** reports to the Chairwoman of the Management Board and has direct access to the Audit Committee. This link between Internal Audit and senior management is supplemented by continuous access to and cooperation with the other members of the Company's Management Board.

The Group Internal Audit Department is composed of a Director of Group Internal Audit, a manager, and three internal auditors supported by a network of local correspondents. They:

- design, execute and monitor the annual Internal Audit plan,

- assess risks by carrying out an annual Group risk mapping and the monitoring the ensuing action plans,
- contribute to compliance with the Group's rules, in particular in the stations, and recommend improvements to internal control,
- manage the processes for the identification and prevention of fraud across the Group,
- monitor that the audit recommendations and high priority action plans are implemented.

The organization and the duties of the Group Internal Audit Department are set out in the Internal Audit charter.

The Group Internal Audit Department defines and executes, either on its own initiative or on the initiative of senior management, an annual audit plan that includes the international franchise network, internal control audits and any other advice or assurance assignment. It reviews the recurring internal control self-evaluation campaigns. In addition, the Group Internal Audit Department reviews the audits performed in the various stations making up the Group's network.

This annual plan is approved by the Chairwoman of the Management Board; the Audit Committee expresses an opinion on this annual audit program.

Lastly, the Group Internal Audit Director reports to the Chairwoman of the Management Board and to the Audit Committee on the realization of the annual audit plan and on the state of progress of the recommendations issued by the Internal Audit.

The Group Internal Audit Department carried out some twenty missions throughout the Group during the year, in the following areas:

- franchisee audits: the Group Internal Audit Department tasks an outside firm to conduct an annual audit of stations held by franchisees in order to ensure their compliance with the Group's rules,
- standard missions carried out in stations,
- missions dealing with an operating process or a specific risk,
- monitoring missions carried out by the Internal Audit, if need be on critical subjects,
- drawing up the risks map.

Each mission is the subject of a written report intended for the audited persons, their superiors and the Management Board. Audit reports include an evaluation of the identified risks and recommended measures to reduce these risks.

2.8.2 Fundamental components of the internal control system

The architecture of the internal control process is based on a three-level structure:

a) the first control level applies to each staff member and their superiors according to their explicit responsibilities, the procedures applicable to their actions and their communicated instructions;

b) the second control level applies to managers independently of the actions controlled. It may also apply to staff employed in an operating, support or control capacity;

c) the third control level applies to the Group Internal Audit Department, which constantly monitors the effective application of the first two control levels defined above.

It depends on the following key elements:

Internal control procedures relating to information systems

The Group IT Department defines, implements and improves the IT security policy roadmap. It initiates and coordinates risk reduction projects in its domain.

Given the current situation of the Group's expansion into new countries and brands, in 2017 the Group IT Department created the Business Relationship unit, in charge of coordinating and managing the overall consistency of IT policies across all Corporate Countries and Group trademarks. The Business Relationship unit handles the management and gradual alignment of IT Managers for the countries and trademarks acquired by the Group (Ireland, Denmark, Buchbinder, Goldcar, Finland, Norway and Fox).

The Group IT Systems Security manager, reporting to the IT Department. The IT Systems Security manager has a central six-person team and a network of correspondents in the IT Department and the various countries and brands, through which to manage the security systems. This network of ten specialists also includes business line correspondents to facilitate the coordination between the various actions and ensure the proper execution and monitoring of the IT security systems policy across the whole Group. Furthermore, the Head of Business Relationships ensures that all the measures taken by the IT Managers for the deployment of the Security, Compliance, Performance and Continuity Plan are done so in conjunction with the Group IT Manager. Similarly, the plan is gradually being rolled out to the new entities and trademarks acquired by the Group.

The IT security systems roadmap is updated in February each year and presented to the Audit Committee, taking into account the assignments conducted by the Group's Internal Audit Department, the results of the self-assessment of IT controls, the Group risk map and any external studies. The IT security systems roadmap presents the overall and consolidated vision of the action plans to be executed in five areas: governance, access and identity management, security oversight, infrastructure security, and compliance.

Monitoring of actions is handled by a monthly IT Safety Steering Committee (chaired by the Information Systems Director (ISD), facilitated by the Information Systems Safety manager, with a manager from the Legal division, the Director of Internal Audit and the Directors of the ISD) and presented to the Audit Committee. Furthermore, every two weeks, a Safety Monitoring Committee meets with all the safety correspondents in the Corporate Countries who may then submit their own issues and obtain all the necessary information on the Group's common vision.

The Group's business continuity plan has been defined and relies on a fully operational IT backup site for the Europcar brand. The entire business continuity plan was tested in October 2018 under real world conditions without any drop in performance for customers and employees. The next comprehensive test is scheduled for March 2020. Other partial exercises were also conducted on a regular basis in 2019.

The applications exposed to the Internet are regularly subjected to intrusion tests.

Fraud prevention, and fight against corruption and money-laundering

The Group Internal Audit Department oversees identification and fraud prevention processes for all Group activities, in liaison with the Compliance officer.

Risks related to operations of the Group's international franchisee network are subcontracted to an external audit firm, overseen by Group Internal Audit. At times, external auditors are called upon to cover certain business sectors with respect to technical issues that cannot be covered internally.

Internal control evaluation process

The internal control evaluation process is based on two complementary tools:

- the internal control "Emergence" manual;
- the internal control self-assessment tool.

The internal control "Emergence" manual

Entirely reworked in 2016 and updated each year since, the manual has adopted an instructive and pragmatic approach. It not only covers the financial reporting procedures, but also the monitoring of operations (such as the administration of contracts, the franchisees, agents and affiliates), monitoring of functions (such as Legal, Purchasing, Human Resources and IT) and Group governance. It includes a set of new subjects, directly related to the new risks and opportunities addressed by the Group, such as strategy, sustainable development issues, and digital marketing. Each subject concentrates on the ten key controls to be applied across the Group, in relation to the risks and existing main procedures.

The internal control self-assessment tool

The internal control self-assessment tool covers all subjects discussed in the "Emergence" manual. Examples of best practice have been defined for each control and a "customized" maturity scale enables very precise and objective results to be achieved during the self-evaluation process.

The 2019 annual self-evaluation campaign was carried out using a specific IT tool with a scope encompassing internal control and Internal Audit activities. It covered the countries, the Shared Services Center, the holding company, the Group functions and new acquisitions. The players involved in the self-evaluation campaign are both at headquarters and in the countries. They are supervised by the Internal Control Department. The results from the self-evaluation are reviewed by Internal and External Audit. Plans for improvement are initiated by the operations managers, validated at the Country level and monitored by the Group Internal Control Department. The Audit Committee is informed of the results of the self-evaluation campaign and the improvement plans.

2.8.3 Internal control procedures regarding the preparation and processing of financial and accounting information

Organization and responsibilities in the production of accounting and financial information

The chief generators or auditors of accounting and financial information fall under the Group Finance department and are as:

- the Group Accounting Department;
- the Group Management Control Department;
- the Group Tax Department;
- the Group Cash and Insurance division;
- the Shared Services Center, covering many of the accounting processes and the Group's various Corporate Countries;
- the Group Financial Communication Department.

Control environment related to the reliability of accounting and financial information

The reliability of accounting and financial information relies on the following steering elements:

- a three-year strategic plan, managed by the Finance department, in coordination with the operating departments: every year, this plan is used to set the Group's main areas of strategic focus and the annual budget objectives that reflect that focus. It is validated annually by the Supervisory Board;
- the annual budgeting process: this process, spearheaded by the Finance department and handled by Group senior management control teams with the support of all operating departments, focuses on operational financial aggregates. The financial elements of the budget are consolidated month by month using the same tool as that used for consolidating actual results with a comparable degree of detail. This enables immediate comparison of the monthly performance of the operating financial aggregates with the budgeted targets;
- three latest forecasts per year: these forecasts focus on the same financial aggregates as the annual budget and thus employ the same consolidation methods in the

same system with the same level of granularity. These forecasts are normally made in March, June and September and rely on the actual monthly results already closed. Their objective is to estimate the remaining months until the end of the year in question in order to compare the re-estimated year and the annual budgetary targets. These forecasts are reviewed by the Management Board;

- complete monthly closings (full balance sheet, consolidated income statement, net profit and cash flow) are recorded and consolidated in the same manner as annual and half-yearly closings in the consolidation tool;
- monthly performance review meetings: led by the Chairwoman of the Management Board, these are carried out with all countries bringing together the Deputy CEO – Countries and Operations, the Deputy CEO – Sales, Marketing, Customers & InterRent, the Chief Financial officer and the Group Financial Controller, and the Group Fleet Director. The operating departments are themselves subject to review by the Management Board. Performance and margin analyses are conducted in order to understand the principal performance levers of the month and to define, in particular, the action plans for the coming months;
- a team, Finance Organization Design, is responsible for harmonizing the finance organizations as well as the accounting processes and internal control, in close collaboration with the Group Internal Control Department.

Procedures for the drawing up of accounting and financial information

Accounting and financial information is obtained through a rigorous process relying on:

- **a common standard and documentation of the main Group accounting rules:** the financial statements are prepared in compliance with the IFRS; these standards are disseminated throughout all the Corporate Countries via the Group Accounting Manual, complemented by specific instructions. Moreover, the above-mentioned internal control manual includes the different processes affecting the generation of financial information (e.g. closing, cash, payroll, purchasing, sales, fixed assets, IT and consolidation);
- **a unified information system:** the Group primarily uses the ORACLE accounting tool and the GREENWAY project management tool for all operations with the exception of Australia, New Zealand, and the recently acquired companies and trademarks (Ireland, Denmark, Buchbinder and Goldcar, Finland, Norway and Fox). In addition, the Group uses a single reporting tool (SAP FC). The operating and financial flows of most subsidiaries in the Corporate Countries are managed via ORACLE;
- **a reporting and consolidation software package and an ORACLE chart of accounts aligned with the reporting tool:** the reporting and consolidation of financial information is via the ORACLE/SAP FC system for all financial reporting (budget, forecast, monthly, quarterly, half-yearly and annual actuals). The use of a single tool ensures consistency between internal steering and external communication;
- **consistency checks and analyses carried out on financial information: automatic checks:** in the reporting tool, detailed activity reviews by the Group's Management Control teams, and specific analyses (e.g. scope of consolidation changes, exchange rate effects or non-recurring transactions) by the Accounting Department ensure the proper control of financial information generated;
- **a formalized process for the transfer, analysis and control of other information published in the Group's annual documents** (e.g. Universal Registration Document).

2.9 REGULATORY, LEGAL AND ARBITRATION PROCEEDINGS

The Group is involved in a number of legal, regulatory and arbitration proceedings in the ordinary course of its business. Under the accounting standards applicable to the Group, a provision is recognized on the balance sheet when the Group is bound by an obligation arising from a past event, it is possible that an outflow of economic resources will be required to settle the obligation, and the amount can be reliably estimated.

At the date of this Universal Registration Document, the Group is not aware of any legal, regulatory or arbitrage proceedings other than those mentioned below, that might have or have had in the last twelve months a material adverse effect on the Company's or Group's financial position or results.

Goldcar Rentals Italy S.r.L. and Goldcar Spain S.L.U. - Italian Competition Authority (AGCM)

- In November 2016, the ICA (the Italy Competition Authority) imposed a fine on Goldcar Italy S.r.L for "unfair commercial practices" (specifically relating to allegations of high pressure sales techniques, non-transparent policies relating to fuel and damage repairs) based on legal proceedings begun in February 2016. The fine of two million euros was paid. In February 2017, an appeal was filed in the Administrative Court of Lazio (TAR).
- In October 2017, the ICA initiated several investigations and proceedings to verify the compliance of the practices relating to security deposit procedures. Goldcar Italy contacted the authorities to propose improvements to be put in place to comply with regulations. Goldcar made

several commitments which have already been implemented. Although the ICA has recognized the procedural and material improvements made, it nevertheless decided to initiate noncompliance proceedings for presumed breach of the Italian Consumer Code. A fine of €680,000 was imposed in February 2018 and duly paid. In April 2018, another appeal was filed in the Lazio Administrative Court (TAR). At the end of March 2019, the TAR ruled on the above-mentioned appeal and the supplementary appeal and confirmed the ICA's decision and the arguments supporting these decisions. In June 2019, Goldcar submitted an appeal to the Consiglio di Stato (CDS). The first hearing is expected to be scheduled in 2020.

- On May 30, 2019, the Italian Competition Authority ordered a site inspection as part of an investigation following up on different consumer complaints about unlawful practices. A hearing took place on August 1, 2019 and on November 4, 2019, the Italian Competition Authority ruled against Goldcar and ordered it to pay a fine of €3,400,000 for noncompliance with the previous decision. Goldcar appealed this decision on December 27, 2019 to the Lazio Administraive Court and the first hearing should take place in 2020.

Litigation with a former franchisee and its sub-franchisees in Brazil

Two of the Group's sub-franchisees in Brazil, Rentax Locação e Comércio de Veículos Ltda. ("Rentax") and Horizon Distribuidora Veículos Ltda. ("Horizon"), initiated judiciary proceedings against Europcar International et and its former franchisee in Brazil, Cia Ec Br de Franquias e Locação de Veículos Ltda. ("EC-BR"), claiming abusive termination of the franchise agreement between Europcar International S.A.S.U. And EC-BR. The claim submitted by Rentax and Horizon amount to approximately 19,525,151 Brazilian reals (approximately €6 million). Europcar International S.A.S.U. is seeking to have the case dismissed on statute of limitations grounds and, in particular, arguing that (i) there is no contractual relationship with these two sub-franchisees, and (ii) there was nothing improper by Europcar International S.A.S.U. in the termination of the EC-BR contract.

In the court of first instance, the 25th Chamber of the Civil Court of São Paulo found in 2010 that the suit filed by Rentax and Horizon was not time-barred and that if Europcar International S.A.S.U. were found liable it would have no recourse against EC-BR. A recourse action is an action through which a person against whom proceedings are initiated involves a third party to respond to the allegations that may be made against him or her. On appeal, this ruling was partly overturned by the Court of Appeal, which found that Europcar International S.A.S.U. could seek recourse against EC-BR, claiming back from EC-BR any payment Europcar International S.A.S.U. would make in compliance with a court ruling against it. Europcar International S.A.S.U., considering that the Appeal Court had failed to consider all its arguments about the statute of limitations, appealed to the São Paulo Court of Justice on September 8, 2014. In a ruling handed down on March 17, 2015, the São Paulo court upheld the ruling that the plaintiffs' suit was not time-barred. Its decision on the statute of limitations was appealed to the Superior Court of Justice. On September 29, 2017 the judge-rapporteur rejected the appeal. Europcar International S.A.S.U. filed an interlocutory appeal against this decision, which will be reviewed by the Superior Court of Justice on February 6, 2018. This appeal nonetheless does not suspend the main proceedings during which the judge in the court of first instance ordered EC-BR to continue to answer the case. After several unanswered notices served on EC-BR, the judge ordered the gathering of evidence phase to continue. This phase allows the Parties to gather the evidence they wish to introduce, including expert reports, witnesses etc. In answer to the ruling by the Court according to which it was not necessary to introduce further evidence as to whether the contract was legally terminated insofar as the Court of Appeal had already ruled on the question in the first judgment mentioned above, Europcar filed a request for the case to either be judged immediately or at least be postponed pending the result of the first case. The judge presiding over the case rejected this request and ordered the expert analyses to begin as requested by the plaintiffs. At the date of this Universal Registration Document, we do not know when the expert analyses will be communicated. Depending on the results of the analyses, the judge will hand down his final ruling, subject to a request for counter-expert testimony from the other parties.

Confirmation of Goldcar's previous conviction for price fixing

In 2013, the companies listed below were ordered to pay several fines following inquiries carried out by the Spanish competition authority (Comisión Nacional de los Mercados y la Competencia – CNMC) as a result of allegations of anticompetitive practices. The appeal was launched as a result of an agreement between each competitor.

The companies involved in the initial proceedings S/0380-2011 were: Sol Mar Rent a Car SL, Centauro Rent a Car SL, Drivalia Car Rental SL, Helle Auto SA, New Cars Costa del Sol SL, Niza Cars SL, Record-Go, Auriga-Crown, Dickmanns Rent a Car SL, Guerin Rent a Car SL, Prima Rent a Car SL, Cargest SL, Avis, the AECA sector association, Sixt and Goldcar.

Goldcar was fined of €15.4 million and appealed the decision on July 30, 2013 before the National Court (Audiencia Nacional).

On March 16, 2016, the National Court handed down a ruling partly confirming Goldcar's appeal. As such, the Spanish National Court ordered the Spanish Competition Authority to recalculate the amount of the fine, taking account of the procedural flaws raised by Goldcar, but also confirmed the existence of the alleged cartel. Goldcar lodged an appeal against this ruling with the Supreme Court.

The Supreme Court ruling no. 926/2018 received in June 2018 rejected Goldcar's appeal. In this respect, it upholds the alleged offenses and orders the competition authority to recalculate the amount of the fine. The amount may be similar or less, but under no circumstances higher than the previously imposed fine (in keeping with the principle of the prohibition of "reformatio in peius").

Alcor, Goldcar's former shareholder, has provided a bank guarantee to cover the total amount of any fine imposed.

The dispute was settled in 2019.

Fire in a parking lot in Paris: criminal proceedings and civil liability claims (insurance)

On November 12, 2014 a fire broke out in a Europcar garage located at 88, Rue de la Roquette, Paris. The fire destroyed all 77 vehicles that were parked in the garage (the net amount of damage recognized at this stage is €1.1 million) and damaged the entire structure of the building. The Public Prosecutor (District Attorney) opened a criminal investigation (criminal proceedings). At the same time, Europcar France and its insurer AIG EUROPE Limited, started proceedings against the owner of the garage, its insurer, the association of co-owners of the building and the French Diabetes Association, before the President of the District Court of Paris to request the designation of an expert to determine the origin of the fire and assess the amount of damage suffered by each party (civil proceedings).

The criminal proceedings were closed by the investigating magistrate on November 24, 2016. The decision to close these proceedings was based on the fact that the judicial inquiry failed to determine the cause of the fire and the expert assessment ordered by the investigating magistrate indicated that it is likely that the fire was caused by an electrical fault in a vehicle. The expert report commissioned in the civil proceedings is still in progress. Europcar France has brought an action for professional civil liability against the experts referred to in these proceedings.

ALLIANZ Iard brought a suit against Europcar France and AIG before the Nanterre Commercial Court on the basis of the February 5, 1985 law. The aim is to obtain a conviction and payment of a fine of €3,902,743.37. Europcar and AIG have requested a stay of ruling from the Court pending the decision from the Court of Cassation in the dispute regarding the liability of experts.

Excessive interchange commission applied by MasterCard and Visa

Following the opening of an investigation by the European commission into interchange commissions (commission that is received by banking organizations for a commercial transaction and justified by the mechanisms implemented by the banking institutions of the cardholder and trader for which the transaction is conducted), the European Union determined that the interchange commissions applied by MasterCard and Visa were too high, and established limits. Following this decision, a number of companies sued MasterCard in the English courts and in the (Competition Appeal Tribunal) and obtained damages for losses related to this practice going back to 1992. An additional claim was then filled by Sainsburys (an English Retailer) against Visa, this time in the High Court. The decisions in those cases were then referred to the Court of Appeal.

On September 16, 2016, Europcar Group UK filed a claim against Visa in the High Court seeking damages for losses incurred due to anti-competitive practices totaling £3 million for the periods 2010 to 2015.

On September 16, 2016, based on the ruling against Mastercard, Europcar Group UK Limited took Mastercard to the High Court of Justice (for the 2010-2015 period) and to the Competition Appeal Tribunal (CAT) (for the 1992-2008 period) to obtain compensation for losses incurred for anticompetitive practices during these periods, estimated at £7 million (including interest).

All three cases were stayed pending the decision of the Court of Appeal on the Mastercard and Visa cases. The only exception was a request by Mastercard before the Competition Appeal Tribunal to exclude the claims made for the period 1992-1997 from the assessment of the damages on the grounds that they are time-barred. The decision of the CAT on this point is expected soon.

In July 2018, the Court of Appeal decided to allow the merchant's appeals on the each of the 3 cases referred to it and declared that both the Visa and Mastercard MIFs were restrictive of competition and therefore unlawful. The Court of Appeal remitted all 3 cases to the CAT to consider whether any exemptions were applicable and to assess quantum. Mastercard sought leave to appeal the decision to the Supreme Court which was granted at the end of 2018.

Europcar Group UK and Mastercard began negotiations at the end of 2019 and have reached an amicable agreement thus terminating the suit brought by Europcar Group UK against Mastercard

Leicester City Council Trading Standards Services investigation

On June 23, 2017, the Leicester City Council trade services investigation Department opened an inquiry into Europcar UK for a breach of Article 9 of the 2008 of the Consumer Protection Act on Unfair Trading, based on allegations according to which: Europcar UK (i) had billed its customers, without their consent, repair costs for damage caused to vehicles in cases where the damage was contested, and (ii) had billed excessive amounts, over and above the actual cost of the repairs. Europcar UK is cooperating with the authorities in charge of the inquiry. Together with the commercial practices inspection services, Europcar UK has drawn up the list of documents that the Company is required to submit and has appointed Deloitte to handle the matter. The results of the work carried out by Deloitte were presented to the trade services investigation Department in November 2018.

The inquiries of the Leicester commercial practices inspection Department are in progress and the Group continues to cooperate fully with the authorities.

In its financial statements as of December 31, 2017, the Group recorded a provision of £38 million (€43 million) in non-recurring expenses (see Note 10 "Provisions, risks, and disputes" on the liquidity risk in the 2017 financial statements at Section 3.4 "Consolidated financial statements and Statutory Auditors' report for the fiscal year ended December 31, 2019" of this Universal Registration Document).

This amount corresponds to the Group's best estimate, at this very early stage of the investigation, based on a number of assumptions, including an assumption that the charging practices will be found to be misleading under Article 9 of the 2008 Consumer Protection Act on Unfair Trading and potentially inappropriate behavior when charging repairs costs to consumers.

At year-end 2019, a new review of the latest risk estimate, which was carried out as at December 31, 2018, was launched. On the basis of the items analyzed at that date, the Group decided to retain the provision of £38 million recognized the previous year.

Dispute regarding the commissions associated with the brokerage of the sale of the Robben & Wientjes assets

The German company Carpartner Nord GmbH was named as a defendant in a case brought before the District Court of Berlin by M.B. Mueller as the owner of the German company M & W Real Estate. The case concerns the alleged claim for a commission brought by the plaintiff for brokering the asset purchase transaction of August 8, 2017 for an amount of 4% of the purchase price of €3 million paid by the defendants to Robben & Wientjes oHG. Furthermore, the plaintiff wishes to obtain a brokerage commission of €150,000 for arranging the leasing of several commercial buildings. Charterline Fuhrpark Service GmbH, which purchased the vehicles of Robben & Wientjes OHG for €6.5 million as part of the asset sale has not yet been sued. It is, however, possible that the plaintiff will also sue Charterer Fuhrpark Service GmbH when the details of the asset sale become known. Initially, the plaintiff was acting solely on behalf of the vendor, Robben & Wientjes. Carpartner Nord GmbH's defense against this lawsuit is that it did not enter into a brokerage agreement with the defendant. The defendant claims that a brokerage agreement of €530,000 euros was entered into (4% of €9.5 million plus €150,000). At its hearing on February 6, 2019, the Court of Berlin ruled that a brokerage agreement had not been concluded and as such the plaintiff could not be awarded a fee for the acquisition transaction. The court ruled that it did not have jurisdiction and referred the case to the Regional Court of Regensburg.

Litigation against Gefion relating to harterline's vehicle insurance coverage

In 2018, Charterline has obtained insurance coverage for its motor fleet from the insurer Gefion (civil liability and damage) for more than 16,000 vehicles. Gefion has ceased to honor damage reimbursements. More than 13,000 claims have not been paid to date. Charterline has so far filed 321 claims for €620,000 in June 2019 before the Bad Kreuznach District Court.

In counterclaims, Gefion requests that the contract be declared null and void and that all compensation received by Charterline be reimbursed. A further hearing is to be scheduled during the first half of 2020.

Notification by the Bavarian DPA of a security breach on a Buchbinder server

Buchbinder was notified on January 20, 2020 by the Bavarian DPA of a security breach on one of the backup servers hosted and maintained by its service provider. The breach was identified and closed immediately. A new security test campaign was immediately launched, and customers were fully disclosed in the press on January 24, 2020.

Buchbinder is cooperating fully with authorities. The Company is currently undergoing an impact assessment.

Excessive credit card fees in Australia

Europcar Australia has been notified that the Australian Competition and Consumer commission (ACCC), following an investigation conducted from October 2017 to May 2018, has decided to initiate civil proceedings against Europcar Australia for violating Article 55B of the 2010 Competition and Consumer Act regarding the excessive fees applied to debit and credit cards when leasing to its customers between July 19, 2017 and November 5, 2017 (and broken down into two periods: from July 19, 2017 to August 31, 2017 and from September 1, 2017 to November 5, 2017).

An official summons was issued on July 16, 2018. A hearing is scheduled for September 2, 2019, following a mediation process that will take place no later than April 30, 2019.

In November 2018, the Company filed a statement explaining that (i) for the first period between July 19 and August 31, 2017, the Company after having received data on the cost of acceptance from its bankers in mid/end July 2017, undertook to calculate an acceptance cost for all card systems so that any change could be applied effective September 1, 2017, and (ii) for debit card customers who were charged excessive fees applicable to credit cards during the period from September 1, 2017 to November 5, 2017, a refund was processed as soon as the banks provided their banking identification numbers making it possible to distinguish between debit and credit cards.

The parties reached an agreement in March 2019 with Europcar acknowledging certain infringements and agreeing to pay AUD 350,000. The court approved this agreement on August 14, 2019.

Australia is subject to specific legislation which enables businesses to charge additional fees to credit card customers if these additional fees are not excessive. In Europe, the Group does not apply any additional fees (EC/BB/GC).

The dispute is settled.

Labor disputes

The Group faces individual disputes related to dismissals on personal grounds as well as individual disputes in the ordinary course of business. The Group also faces individual disputes for dismissals on economic grounds in the context of internal restructurings carried out in prior years, as well as individual or collective disputes relating to restructurings. Provisions in the amount of €1.2 million for labor disputes were recorded at December 31, 2019 for various companies.

Litigation with ten former employees

The Group is defending proceedings for interim relief brought before the Rambouillet Labor Tribunal (Conseil de prud'hommes) in which ten employees and their union are challenging the automatic transfer of their employment contracts following the transfer of APS GreenWay's business from the Group to an IT services provider.

The Group was summoned before the Rambouillet Labor Tribunal (Conseil de prud'hommes) by 24 of the 33 former Greenway employees (IT Department) and their trade union on two grounds (i) the lack of information provided during the information and consultation procedure concerning the transfer of Greenway's business to a service provider, and (ii) questioning the assessment of this activity as an economic and social entity.

On June 24, 2015, the Tribunal dismissed the employees' demands. The latter appealed before the Court of Versailles. The appeal was heard on February 9, 2016. On April 12, 2016, the Court confirmed compliance with the information and consultation procedures and invited the parties to file a suit based on the merits, by reversing the decision on the recognition of economic entity.

Eight of the twenty-four employees filed a suit with the Rambouillet Labor Tribunal (Conseil de prud'hommes de Rambouillet), which, in a judgment on September 10, 2018, dismissed all of the employees' demands; the latter filed an appeal on October 8, 2018. At the same time, an action by two protected employees was underway at the Administrative Court on the same grounds.

The hearings will be held in May 2020 for the eight employees and in June 2020 for the two protected employees.

A provision of €800,000 was recorded in the books of Europcar International S.A.S.U. at December 31, 2019.

3

FINANCIAL AND ACCOUNTING INFORMATION

In this Universal Registration Document and unless otherwise indicated, the 2019 figures on Corporate Countries include.

(i) data about the Finnish and Norwegian group of companies, former Group franchisees, acquired by Europcar on May 31, 2019, for the period from June 1 to December 31, 2019. It is specified that the balance sheet of this former franchisee was consolidated in the financial statements of Europcar Mobility Group at December 31, 2019, but that the income statement of this former franchisee was consolidated in these financial statements for the aforementioned period only. The figures on franchisees therefore include data concerning the former Finnish and Norwegian franchisees for the period spanning January 1, 2019 to May 31, 2019; and

(ii) the data about Fox, the Group of companies incorporated in the United States, acquired by Europcar on October 31, 2019, for the period from November 1 to December 31, 2019. It is specified that the balance sheet of Fox was consolidated in the financial statements of Europcar Mobility Group at December 31, 2019, but that the income statement of Fox was consolidated in the financial statements for the aforementioned period only.

In this Chapter, as in this Universal Registration Document, except where otherwise stipulated, the comparisons of figures between 2018 and 2019 are made on the basis of reported data, and therefore do not include restatements for acquisitions or disposals for the fiscal years in question.

3.1 ANALYSIS OF THE GROUP'S RESULTS

Readers are urged to read the information below regarding the Group's financial earnings and position together with the consolidated financial statements for the fiscal years ended December 31, 2019 and 2018, as reported in Section 3.4 "Consolidated financial statements and Statutory Auditors' report for the fiscal year ended December 31, 2019" of this Universal Registration Document.

In this Chapter, the Group presents certain financial information and other data to make it easier for readers to understand the Group's business. In particular, the Group presents the adjusted corporate EBITDA indicator, which refers to current operating income before depreciation and amortization not linked to the rental fleet and after deducting interest expenses linked to debt used to finance the fleet.

Adjusted corporate EBITDA is not a recognized metric under IFRS and has no single generally accepted definition. The Group believes, however, that adjusted corporate EBITDA, which covers all costs relating to the rental fleet including depreciation expenses and interest expenses linked to the fleet, offers investors additional material information to measure the Group's performance, without distinguishing how the vehicle fleet is financed. This aggregate is one of the Group's key aggregates used to track its performance (see the paragraph on "Adjusted corporate EBITDA" in Section 3.1.2.2 "Analysis of the Group's results").

In this Chapter, the Group has identified certain impacts linked to interest rate fluctuations (primarily the pound sterling, the Australian dollar, the New Zealand dollar, the Danish kroner and the US dollar) and has restated certain data for the fiscal year ended December 31, 2018 at constant exchange rates for the fiscal year ended December 31, 2019 in order to provide a more accurate picture of its performance.

Unless otherwise explicitly indicated, the figures for fiscal 2019 are presented in the notes and tables prior to the application of IFRS 16.

3.1.1 General overview

3.1.1.1 Overview

Since January 2017, the Group has chosen an organizational structure based on Business Units in order to better address the different markets in which it operates and the various mobility needs of its customers. This organization, described more fully in Section 1.6.1, is structured around five Business Units: Cars, Vans & Trucks, Low Cost, Urban Mobility and International Coverage. These five Business Units are distinguished primarily by the nature of the services offered, the category of their customers, their competitive environments, the day-to-day operational management of customers and the rental fleet.

The Cars, Vans & Trucks and Low Cost Business Units only operate a branch network in Corporate Countries. This network is shared for the most part between the Cars and Vans & Trucks Business Units, with a dedicated network for the Low Cost Business Unit, while the International Coverage Business Unit manages the country franchise networks and the Group's partnerships in these countries.

3.1.1.2 Main factors that can impact the Group's results

Certain key factors as well as past events and operations have impacted and could continue to impact the Group's operating results. These factors include momentum in the vehicle rental sector and the attractiveness of the Group's services, macroeconomic conditions (particularly the vitality of tourism and the business sectors in general), the seasonal nature of the vehicle rental business, the effects of strategic program and the evolution towards new mobility services, the Group's cost structure and operational efficiency, financial expenses, changes to the Group's scope of consolidation, and exceptional, exogenous factors, such as terrorist attacks. A more detailed description of each of these factors is presented below.

Sector momentum and attractiveness of the Group's services

The vehicle rental sector is undergoing intensive changes owing, in particular, to changes in consumer habits and technological advances.

- **Changes in demand in the premium and low-cost segments.** the Group believes that transport sector consumers tend to focus on either premium or low-cost offerings. Changes in demand in the premium segment present new growth opportunities for vehicle rental companies, which are able to capitalize on their brand recognition to develop new services. The Group believes it can leverage the established recognition of its leading brand Europcar® to develop new premium services (see "Europcar® Service Offering" in Section 1.6.2 "Europcar Mobility Group's brands and service offering). In addition, as demand is also evolving towards the low-cost segment and small budget vehicles, sector players have responded to the trend by adapting the composition of their fleets and developing new low-cost offerings. To address this new trend, the Group initially launched its InterRent® brand on the low-cost market in 2013, then accelerated its deployment as initially planned. With the acquisition of Goldcar® at the end of 2017, the Group decided to reposition InterRent® in the mid-range segment and assign the Goldcar® brand to the growing low-cost market. See the introduction to Section 1.6.2 "Europcar Mobility Group's brands and service offers." This specific market trend has allowed the Group to offer a product and services better adapted to this growing demand.
- **The Vans & Trucks market is growing steadily**, driven specifically by the rise of e-commerce and last-mile delivery. It remains relatively fragmented throughout Europe, although we are seeing the first signs of concentration. The operational specificities in this market differ significantly from those for the rental of passenger cars and low-cost services and require specialized expertise. The establishment of a dedicated structure for the Vans & Trucks Business Unit has allowed it to provide a more effective response to the market in terms of products and services; Therefore, in 2019, the Group decided to concentrate its van offering at "super-sites" better suited to the B2B sector, which is traditionally strong in this market.
- **New mobility solutions.** The mobility market is undergoing structural changes linked to technological advances and the resulting changes in consumer preferences and behavior (see Section 1.3.2 "Growth drivers and general market trends"). This momentum in the sector is a source of growth opportunities for vehicle rental companies capable of focusing their investments on the products, services and technologies that they believe will have strong added value or will be widely accepted by consumers and for which they have or can acquire or develop the technical expertise needed to operate them. The Group draws on its extensive experience and its know-how in the vehicle rental sector to innovate and seize opportunities arising from new mobility trends.
- **Technological changes and changes in offerings.** To remain competitive, vehicle rental companies have to develop business models that include information and telecommunications systems that are effective while being complementary to those of their partners, both for recording of customer bookings through multiple distribution channels and strengthening their ability to offer innovative and less expensive services.
- **Pricing dynamics.** The vehicle rental sector is a competitive market and price is a key competitive factor. The Group seeks to capitalize on the density of its network, its sector expertise, its operational excellence and the recognition of its brands in order to enhance its ability to offer attractive rates in terms of the quality to price ratio of the services offered while improving its profitability. Supply and demand in the market impact both the Group's fleet utilization rate and its pricing position. During periods of high demand or when demand exceeds supply, the fleet utilization rate increases and the competitive pressure on prices falls. Conversely, a fall in demand or excess supply of vehicles over demand can exert downward pressure on prices as part of available fleet management. The ability of the different players in the vehicle rental sector to manage their available fleets (size, mix and geographic distribution) also has an impact on the Group's fleet utilization rate and its pricing position. The management of the utilization rate, location of the rental fleet and the prices of the services offered is centralized with the Revenue and Capacity Management teams. This follows the model in the hotel and airline industries, with the major difference being that it is possible to adapt the capacity of the rental fleet, as it is variable during the year.
- **The development of e-commerce.** In recent years, e-commerce has changed the booking habits of customers. E-commerce allows the Group to respond to the constantly changing needs of its customers and to be attentive to their expectations. The percentage of vehicle rental bookings made online (including through rental brokers) has risen sharply in recent years and accounted for 67% of bookings in 2019 excluding Global Distribution System (compared to 65% in 2018). Online bookings also allow greater price transparency and can lead to stronger competitive pressure (see Section 1.6.4 "Distribution Channels").
- **Regulatory changes.** the Group operates in numerous countries that have multiple regulations that are prone to changes, especially regulations governing the environment, personal data, consumer rights and the operation of franchises. Regulatory changes may affect

the activities and revenue of the Group, especially if such changes were to introduce additional mandatory constraints.

- **Exceptional events with an impact on the tourism and economic environment.** Natural disasters can have an adverse impact on vehicle rental. Terrorist attacks can also have an impact on the vehicle rental market in the short and medium term.

Macroeconomic conditions

The demand for vehicle rentals and, more specifically, the demand from the "Business" customer segment, is influenced by the macroeconomic situation of the countries in which the Group operates. Changes in gross domestic product, especially in Europe, may have an impact on the Group's business.

Demand is also influenced by changes in air and railway traffic and the factors underlying these changes, such as currency fluctuations or geopolitical events that can affect passenger flows and, as a result, demand from the "Leisure" customer segment (see Section 1.3.2 "Growth factors and general market trends"). During the fiscal year ended December 31, 2019, agencies in airports directly run by the Group and by agents represented 47% of the revenue generated by the Group's rental activities, versus 53% for agencies outside airports, thanks to the Group's dense network. The Group also entered into important alliances and partnership agreements with several major airlines. Thus, a significant part of the Group's revenue is correlated to the level of air traffic.

Revenue growth indicators

Revenue covers (i) income from vehicle rentals net of discounts and rebates, (ii) commissions on services related to the vehicle rental business, and (iii) franchise fees received from the Group's franchise network.

The following indicators are generally used to analyze changes in the Group's consolidated revenue: (i) business volume measured by the Rental Day Volume, and (ii) revenue per rental day.

RENTAL DAY VOLUME

The rental day volume corresponds to the number of rental days completed by customers, including each day or period shorter than one day for which a vehicle rental is billed to a customer (the "**Rental Day Volume**").

The Rental Day Volume is affected by a certain number of factors, including the factors described in Section 3.1.1.2 "Main factors that can impact the Group's results" in the "Sector dynamic and attractiveness of the Group's services" and "Macroeconomic conditions" sections above, the seasonal nature of the business, changes in the Group's service offering and customer portfolio and the Group's efforts to ensure profitable growth in line with its strategy (see Section 1.4 "Strategy").

REVENUE PER RENTAL DAY BY BUSINESS UNIT

Revenue per rental day (RPD) corresponds to vehicle rental income divided by the Rental Day Volume for the period (the "**RPD**"). The variation of the RPD is calculated compared to the previous year and can be presented at constant exchange rates to correct for exchange rate fluctuations (primarily the impacts linked to the pound sterling, the Australian dollar, the New Zealand dollar, the Danish kroner and the US dollar).

The RPD depends on the following main factors:

- **the Group's pricing position:** the Group's price structure generally reflects (i) the positioning of the services proposed by the Group and the related price policy, (ii) the sale of additional chargeable services and equipment (such as insurance products and optional protection, equipment, etc.), (iii) the specific market conditions and customer structure of the geographical areas where the Group offers its services, (iv), the Revenue Capacity Management used to manage customer demand, pricing and suitability of the fleet (category/price and optimized distribution within the network), as well as (v) competitive intensity and (vi) the average duration of the rental;
- **the composition and diversity of the Group's fleet:** the Group's fleet includes eleven main categories of vehicles in line with the sector's standards: mini, budget, compact, medium, standard, sedan, premium, luxury, vans, trucks and convertible cars. The fleet offered varies by brand: the Europcar® brand covers a full line of vehicles, the InterRent® and Goldcar® brands offer a narrower selection of vehicles, while Buchbinder® also has a fleet of vehicles fairly close to the one offered by the brand Europcar®. The diversity of the Group's fleet allows it to respond to the rental demands of a broad range of customers. Generally speaking, higher category vehicle rentals have a higher RPD than those from lower category vehicles, but the latter represent lower costs for the Group and generally maintain similar profitability;
- **typology of the Group's customer base: Business or Leisure** (see Section 1.6.3 "Customers ("Business"/"Leisure")"). Leisure rentals are often for longer periods and present a higher RPD compared with business rentals. Furthermore, in principle, longer-term rentals generate a lower RPD than short-term rentals but present a lower cost structure that generally allows the Group to maintain similar profitability (see the paragraph "Cost structure and operational efficiency" in Section 3.1.1.2 "Main factors that can impact the Group's results");
- **the growth momentum of the different Business Units:** Each Business Unit targets a customer type and markets that have their own dynamics in terms of demand, product and service offering, and price. As a result, the different Business Units have different RPDs and revenue growth (See Section 1.6.1 "Overview of businesses"). The Low Cost Business Unit has a lower average RPD than

the Cars and Vans & Trucks Business Units, mainly due to the more entry-level vehicle categories;

- **geographic diversity:** The Corporate Countries cater to different types of customers and therefore present different strategies in terms of price and composition of the vehicle fleet. Some of the Corporate Countries (Germany, Austria, Luxembourg and Belgium) generate a higher portion of their revenue in the "Business" segment, while others (Spain, Italy, Ireland, Portugal, Australia and New Zealand) generate more revenue in the "Leisure" segment and others are present in both customer segments in a fairly balanced manner (France, Denmark and the United Kingdom);
- **the fluctuation in certain foreign exchange rates:** As RPD is measured in euros, fluctuations in exchange rates, particularly between the euro and the pound sterling, the Australian, New Zealand and US dollars, and the Danish kroner can impact the RPD. Consequently, the Group monitors the RPD at a constant exchange rate.

Seasonal nature of business

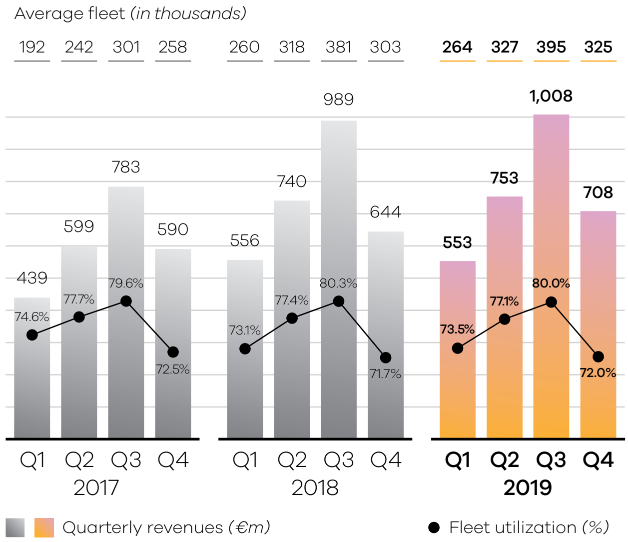
The vehicle rental business sector is seasonal and sensitive to weather conditions. There is generally a peak in activity from June to September. The "Leisure" segment is characterized by higher demand during the summer and school holidays and benefits from higher activity in the transport sector. As such, the Group's revenue and adjusted corporate EBITDA are higher during these periods compared to the rest of the year. For example, the Group generated 72% of its adjusted corporate EBITDA (excluding 2019 mobility and acquisitions) in the third quarter of the year ended December 31, 2019 (versus 70% in 2018). The "Leisure" customer segment is also characterized by an increase in demand for weekend rentals compared to mid-week rentals. By contrast, demand from the "Business" customer segment is relatively stable throughout the year, with a slight drop during summer vacation and a greater focus on the mid-week (Tuesday to Thursday) compared to the weekend.

For the fiscal year ended December 31, 2019, "Leisure" rentals represented 61% of the revenue generated by the Group's rental activities versus 39% for "Business" rentals.

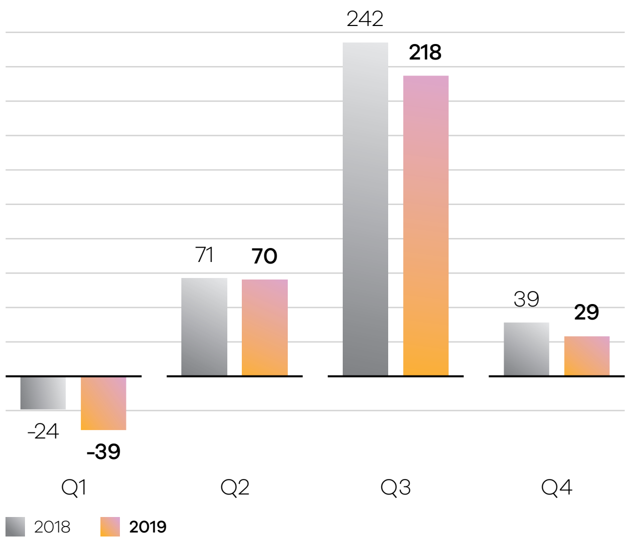
Managing the seasonal nature of the business efficiently is an important aspect of the Group's financial model. The Group strives to capture business during peak periods (weekly or annually) while remaining attentive to fleet holding costs during the periods preceding and following these peak periods (low or normal by classifying the annual peaks as high or elevated), with the objective of maintaining its fleet utilization rate between 72% and 80% for each quarter, for example. The Group addresses these fluctuations in demand through flexible contracts with the vehicle suppliers. These contracts allow the Group to increase its vehicle orders when it expects a surge in activity and to use short-term buy-back arrangements (which generally vary between five and eight months) to reduce the number of vehicles once the high demand falls (see Section 1.6.6 "the Group's fleet").

The seasonal criterion also varies from one Business Unit to another. The Cars Business Unit has a strong seasonality, mainly in relation to the Leisure/Business activity as described above. Since the Low Cost Business Unit is almost exclusively dedicated to "Leisure" segment customers, seasonality is very strong and follows the tourist demand during school vacations: the third quarter of 2019 accounted for 45% (excluding 2019 acquisitions) of the Low Cost Business Unit's rental revenues (compared with 48% in 2018). The Vans & Trucks Business Unit, with its medium-term offering targeted to small and medium-sized businesses, is more oriented towards "Business" customers and consequently has less seasonality during the year.

The graph below shows the change in consolidated revenue (in millions of euros), the fleet utilization rate and the average fleet by quarter during the years ended December 31, 2019, 2018 and 2017:



The following graph shows the change in the Group's adjusted corporate EBITDA by quarter (in millions of euros) during the years ended December 31, 2019 and 2018.



Cost structure and operational efficiency [1]

A) MARGIN AFTER VARIABLE COSTS

The margin after variable costs, as used in the Group's management indicators to coordinate Business Unit performance, includes all revenue minus the Group's variable operating costs. The variable operating costs as presented in the management income statement are primarily composed of fleet holding costs, excluding estimated interest included in operating lease payments, and fleet operating, rental and revenue related costs.

The estimated interest included in operating lease payments are included in the financial expenses related to the fleet and recognized above the adjusted corporate EBITDA. The Group's variable operating costs therefore exclude (i) personnel costs, (ii) network and headquarters overhead costs, (iii) other operating expenses and income, (iv) non-current income and expenses, (v) all financial expenses related to fleet financing. All of these items have a dedicated section in the income statement.

The costs included in the Margin After Variable Costs are:

- **fleet holding costs** (which represented 42% of the variable cost base and 25% of revenue), which include:
  - costs in connection with vehicle rental agreements, which represented 34% of the operating cost base for 2019 and correspond to (i) depreciation expenses for both vehicles purchased with manufacturer or dealer buy-back commitments and "at-risk" vehicles (based on monthly depreciation rates negotiated as part of the buy-back agreements for vehicles purchased with a buy-back clause, net of volume rebates, or on the difference between the purchase price and estimated residual value of at-risk vehicles, adjusted monthly based on vehicle market values) and (ii) operating lease expenses through 2018 and "amortization expenses" for rights of use in 2019,
  - costs in connection with the purchase and sale of vehicles, which represented 4% of the operating cost base for 2019, mainly consisting of (i) the cost of vehicle accessories, (ii) costs linked to the integration of new vehicles into the Group's fleet, and (iii) costs linked to the sale of used vehicles and vehicles acquired through buy-back arrangements, and
  - taxes on vehicles, which represented 3% of the operating cost base for the 2019 fiscal year.

These costs are variable year-on-year insofar as the Group is able to adapt and adjust the size of its fleet, thanks to the flexibility offered by the buy-back agreements signed with the car manufacturers. Europcar is able to increase its vehicle orders in the lead up to the high season, and use the flexibility offered by the holding periods, generally lasting from five to eight months, to sell vehicles off when the demand slackens. Europcar is also able to respond to short-term peaks in demand through the optimized distribution of new vehicles added to the fleet (see Section 1.6.6.1 "Fleet management"). The key indicators monitored for this type of expense are: (i) the average rental fleet, (ii) the average monthly cost per unit of the fleet, and (iii) the fleet utilization rate (as described below);

- **fleet operating, rental and revenue-related costs**, which represented 58% of the variable cost base and 34% of revenue in 2019 and include:
  - fleet operating costs, which represented 20% of the operating cost base for the year ended December 31, 2019 and include insurance costs (the cost of third-party liability and vehicle damage insurance policies, and the cost of self-insurance), repair and maintenance costs as well as costs incurred for damaged and stolen cars, and for the reconditioning of vehicles before they are repurchased by the car manufacturers or dealers. These costs vary as a function of the average rental fleet and, to a lesser extent, the Rental Day Volume,
  - fees and commissions paid to travel agencies, partnerships (EasyJet, etc.), online booking sites and call centers represented 10% of the operating cost base for the 2019 fiscal year and vary according to sales channel and volume, and
  - rental costs, which represented 28% of the operating cost base for the 2019 fiscal year, and which cover the costs of transferring vehicles from one site to another, vehicle washing costs, and fuel costs. Rental costs are, in theory, incurred once per rental. Consequently, a shorter rental will incur approximately the same cost as a rental over a longer period.

B) MARGIN AFTER NETWORK COSTS [1]

The margin after network costs, as used in the Group's management indicators to coordinate the Company's performance, includes revenue and costs related to the margin after variable costs (discussed above) minus (i) network operation costs, (ii) marketing expenses, and (iii) fleet financing costs. These include the personnel costs of the Group's branch network as well as the overhead costs related to the branch network.

The costs included in the Margin after Network Costs (in addition to the Margin after Variable Costs) are:

- **personnel costs**, which represented 51% of the network cost base and 10% of revenue in 2019 and include all payroll-related costs;
- **network overhead costs**, which represented 24% of the network cost base and 5% of revenue in 2019 and include

(1) Figures provided on the basis of a scope excluding Mobility and 2019 acquisitions (Finald, Norway and Fox).

the costs of rent, parking, rental charges inherent to the operation of a branch, uniform costs, etc.;

- **fleet financing expenses**, including estimated interest included in operating leases, which represented 20% of the network cost base and 4% of revenue in 2019 and include interest charges on loans used to finance the fleet;
- **marketing costs**, which represented 5% of the network cost base and 1% of revenue in 2019 and include all advertising/communications/marketing expenses used to develop brand recognition and thus make the Group's revenue grow in the short and medium term.

C) HEADQUARTERS STRUCTURAL COSTS [1]

Headquarters structural costs include expenses related to the multiple headquarters of the Company and of Group Corporate Countries (including lease expense before the impact of IFRS 16, travel expenses and auditing and consulting fees incurred at the local and holding-company level), as well as related commercial and marketing fees, IT system-related expenses and telecommunication expenses.

Personnel costs include salaries and wages (including bonuses and incentives), social security contributions and post-employment benefits. Personnel costs are monitored separately depending on whether they relate to personnel working in the rental offices, network staff working at the headquarters of each of the Group's Corporate Countries or the Group's headquarters, or in the Shared Services Center created in Portugal in 2014.

The Group's headquarters and the Corporate Country headquarters coordinate a number of commercial and operational activities defined by the Group in line with local characteristics, such as "Major Accounts" customer management and sales administration, "Revenue and Capacity Management" activities, reservations and customer service, e-commerce and marketing, vehicle purchasing, logistics and maintenance, as well as support functions such as Finance, Human Resources and General Management.

Structural costs remained stable between 2018 and 2019 for the scope excluding mobility and 2019 acquisitions. This stability was primarily due to increased control of headquarters costs with the initial impacts of the "HQ 2020" project.

D) COST STRUCTURE AND OPERATIONAL EFFICIENCY INDICATORS [1]

Unit costs of the fleet expressed in vehicle rental day volume rose slightly in 2019 compared to 2018.

Fleet management and improvement of the fleet utilization rate are based on the Group's internal procedures and on the "Revenue and Capacity Management" teams. The Group uses the following indicators to control and optimize its fleet-related costs:

- **average rental fleet for the period:** the average fleet for the period is calculated by taking into account the number of days in the period during which the fleet is in operation, divided by the total number of days in the same period, multiplied by the number of vehicles in the fleet during the period. The average fleet size during the period, and therefore of the fleet holding costs, vary according to demand forecasts, Rental Day Volume, and especially the effects of seasonal fluctuations;
- **average monthly costs per fleet unit:** average monthly costs per fleet unit corresponds to the total fleet costs (fleet holding costs and fleet operating cost), excluding interest expense included in fleet operating leases and insurance fees, divided by the average fleet for the period, itself divided by the number of months in the period. The Groups also analyzes the fleet holding cost per unit per month (excluding estimated interest included in operating leases for vehicles in the fleet) and the monthly operating cost per fleet unit (excluding insurance costs) separately. The average monthly costs per fleet unit can fluctuate on the basis of macro-economic conditions that impact auto makers and the Group's negotiation power for its vehicle supply agreements with these companies. The average cost per unit for small, economy vehicles tends to be less than the average cost per unit for larger vehicles;
- **fleet utilization rate:** the fleet utilization rate represents the ratio of the Rental Day Volume to the number of days in the fleet financial availability period. The fleet financial availability period means the period during which the Group holds the vehicles. The higher the fleet utilization rate, the more the fleet is optimized and gives high return (see Section 1.6.6 "Group fleet"). Optimized management of the fleet size through the purchase and sale of vehicles, as well as the higher number of longer-term rentals, contribute to the increase in the fleet utilization rate.

Other financial expenses

The financial expenses include the following:

- **financial expenses in connection with fleet financing**, which vary depending on the financing option selected or available: financing through operating leases based primarily on the capacity of the manufacturers' captive finance companies, banks and other companies specialized in leasing vehicles or financing through debt or securitization for the fleet of vehicles recorded in the balance sheet. IFRS treats the accounting of financial expenses differently, depending on the type of financing used. Fleet operating leases now fall within the scope of IFRS 16. Leases are therefore recognized in the balance sheet in the form of a right of use for the leased asset and a financial liability for lease and other payments to be made during the lease term used to measure the lease liability;
- up until 2018, rents from fleet operating leases, including the estimated portion corresponding to interest, were recorded as operating income in the fleet holding costs in the IFRS income statement. They are now recorded in the balance sheet in accordance with the new IFRS 16 standard, and the related financial expenses are recorded as financial expenses under gross financing costs;

(1) Figures provided on the basis of a scope excluding Mobility and 2019 acquisitions (Finald, Norway and Fox).

- financial expenses relating to the other types of financing backed by the vehicle fleet on the balance sheet are recorded as financial expenses under gross financing costs. In order to facilitate the monitoring of the Group's performance, these two types of financial expenses are grouped together as one line in the calculation of the adjusted corporate EBITDA (see the "Adjusted corporate EBITDA paragraph in Section 3.1.2.2 "Analysis of Group results") in the management income statement;
- **financial expenses on the high-yield bonds** intended for corporate financing;
- **other financial income and expenses** including, in particular, expenses in connection with other borrowings, the amortization of transaction costs, any redemption premiums, and foreign exchange differences.

3.1.1.3 Significant accounting policies

For a detailed description of the Group's significant accounting policies, see Note 2 "Significant accounting policies" to the Group consolidated financial statements for the fiscal year ended December 31, 2019 included in Section 3.4 "Consolidated financial statements and Statutory Auditors' report for the year ended December 31, 2019" of this Universal Registration Document.

3.1.2 Comparison of results for the fiscal years ended December 31, 2019 and 2018.

3.1.2.1 Key indicators

	Year ended December 31			
	2019	2018	Change	Change at constant exchange rates
Revenue *(in millions of euros)*	**3,022**	**2,929**	**3.2%**	**3.2%**
Vehicle rental revenue *(in millions of euros)*	**2,839**	**2,748**	**3.3%**	**3.3%**
Billed rental day volume *(in thousands of euros)*	91.0	87.7	3.7%	
Average rental duration *(in days)*	6.7	6.5	3.3%	
Average rental fleet (in thousands of cars)[(1)]	328.0	315.9	3.8%	
Average revenue per unit per month *(€)*[(2)]	721.2	724.8	(0.5)%	(0.5)%
Average fleet costs per unit per month *(€)*[(3)]	(229)	(226)	(1.6)%	(1.6)%
Fleet utilization rate *(%)*[(4)]	76.0%	76.1%	(0.1) pt	
Margin after variable costs	**1,224**	**1,231**	**(0.6)%**	**(0.6)%**
MAVC as a % of revenue	*40.5%*	*42.0%*	*(1.5) pt*	

(1) The average rental fleet corresponds to the number of fleet vehicles in operation during the period, multiplied by the number of days the fleet is in operation during the same period divided by the total number of days in the period. At December 31, 2019, the fleet (excluding Urban Mobility) had 328,016 vehicles (up 3.8% compared to December 31, 2018).
(2) The average revenue per fleet unit/month corresponds to vehicle rental income divided by the average rental fleet for the period after dividing the rental fleet for the period by the number of months in the period.
(3) Average fleet cost per unit per month corresponds to the total monthly fleet cost (fleet holding and operation costs), excluding interest expense for fleet operating leases and insurance, divided by the average fleet size during the period after dividing the average fleet size by number of months in the period (i.e., €921 million for 334,433 vehicles, including Urban Mobility, in 2019 and €863 million for 318,450 vehicles in 2018).
(4) The fleet utilization rate corresponds to the ratio of the Rental Day Volume to the number of days the fleet is considered financially available. The fleet's financial availability period represents the period during which the vehicles are in operation.

3.1.2.2 Analysis of the Group's results

The comments in this Section refer to the IFRS presentation of the income statement and the management aggregates monitored for strategic management of the Group. Management data are prepared to reflect the Group's economic performance and make it easier to understand. They are presented before IFRS 16 in the tables and comments below.

MANAGEMENT INCOME STATEMENT

(in millions of euros)	Year ended December 31		
	2019	2018	Change
Total revenue	**3,022.4**	**2,929.3**	**3.2%**
Fleet holding costs, excluding estimated interest included in operating leases	(753.8)	(707.8)	6.5%
Fleet operating, rental and revenue related costs	(1044.8)	(990.3)	5.5%
Margin after variable costs	**1,223.8**	**1,231.1**	**(0.6)%**
Margin	*40.5%*	*42.0%*	*- 1.5 pt*
Personnel costs	*(522.3)*	*(500.3)*	*4.4%*
Network and headquarters overhead costs	*(315.0)*	*(294.3)*	*7.0%*
Other income	*12.0*	*11.8*	*1.9%*
Personnel costs, network and headquarters overhead, IT and other	(825.3)	(782.9)	5.4%
Net fleet financing expenses	*(67.9)*	*(65.8)*	*3.2%*
Estimated interest included in operating leases	*(52.4)*	*(55.2)*	*(5.1)%*
Fleet financing expenses, including estimated interest included in operating leases	(120.2)	(121.0)	(0.6)%
Adjusted corporate EBITDA	**278.3**	**327.3**	**(15.0)%**
Margin	*9.2%*	*11.2%*	*- 2.0 pt*
Depreciation, amortization and impairment expense	(48.0)	(44.4)	8.2%
Other non-recurring income and expenses	(58.2)	20.4	(385.8)%
Other financial income and expense not related to the fleet	(101.2)	(110.6)	(8.6)%
Profit (loss) before tax	**70.8**	**192.7**	**(63.2)%**
Income tax benefit (expense)	(32.9)	(52.0)	(36.1)%
Share of net profit or loss in companies accounted for under the equity method	0	(1.3)	(100.0)%
NET PROFIT (LOSS) FOR THE PERIOD	**38.0**	**139.4**	**(72.8)%**

IFRS INCOME STATEMENT

(in millions of euros)	Year ended December 31		
	2019	2018	Change
Total revenue	**3,022.4**	**2,929.3**	**3.2%**
Fleet holding costs	(806.2)	(763.0)	5.7%
Fleet operating, rental and revenue related costs	(1044.8)	(990.3)	5.5%
Personnel costs	(522.3)	(500.3)	4.4%
Network and headquarters overhead costs	(315.0)	(294.3)	7.0%
Other income	12.0	11.8	1.9%
Depreciation, amortization and impairment expense	(48.0)	(44.4)	8.2%
Current operating income	**298.2**	**348.7**	**(14.5)%**
Other non-recurring income and expenses	(58.2)	20.4	(385.8)%
Operating income	**240.0**	**369.1**	**(35.0)%**
Net financing costs	(169.1)	(176.4)	(4.1)%
Profit (loss) before tax	**70.8**	**192.7**	**(63.2)%**
Income tax benefit (expense)	(32.9)	(52.0)	(36.7)%
Share of profit (loss) of associates	0	(1.3)	(100.0)%
NET PROFIT (LOSS) FOR THE PERIOD	**38.0**	**139.4**	**(72.8)%**

The table below presents the reconciliation of recurring operating profit (loss) with adjusted recurring operating profit (loss), with adjusted corporate EBITDA and with adjusted consolidated EBITDA. The Group presents the adjusted recurring operating profit (loss), the adjusted consolidated EBITDA and the adjusted corporate EBITDA because it believes that these measurements give investors important, additional information for assessing the Group's performance. The Group also believes that these indicators are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the Group's industry. In addition, the Group believes that investors, securities analysts and rating agencies will consider adjusted recurring operating income, adjusted consolidated EBITDA, and adjusted corporate EBITDA useful indicators for measuring the Group's capacity to meet its debt-service obligations. IFRS does not recognize adjusted recurring operating income, adjusted consolidated EBITDA, or adjusted corporate EBITDA. Therefore, these indicators should not be viewed as alternatives to operating income or net profit or loss, nor should they be considered indicators of operating results or of cash flows as measures of liquidity.

(in millions of euros)	Year ended December 31 2019	2018
Adjusted consolidated EBITDA	**1,016.1**	**1,027.8**
Fleet depreciation (IFRS)	(329.8)	(295.4)
Fleet depreciation included in operating leases (1)	(287.8)	(284.2)
Total fleet depreciation	**(617.6)**	**(579.6)**
Interest expense related to fleet operating lease payments (estimated) (1)	(52.4)	(55.2)
Net fleet financing expenses	(67.9)	(65.8)
Total fleet financing, including interest included in operating lease payments (estimated)	**(120.2)**	**(121.0)**
Adjusted corporate EBITDA	**278.3**	**327.3**
Amortization, depreciation and impairment expense (excluding fleet)	(48.0)	(44.4)
Reversal of net fleet financing expenses	67.9	65.8
Reversal of interest expense related to fleet operating lease payments (estimated)	52.4	55.2
Adjusted recurring operating income	**350.5**	**403.9**
Interest expense related to fleet operating lease payments (estimated)	(52.4)	(55.2)
Current operating income (2)	**298.2**	**348.7**

(1) The expenses related to fleet vehicle operating leases include a depreciation expense, an interest expense and, in some cases, a small management fee. For leases that do not stipulate a precise distribution of payments among these components, the Group makes estimates of this breakdown on the basis of the information provided by the lessors. In addition, since the interest expense included in operating leases is essentially a fleet financing cost, the management of Europcar examines the fleet holding costs and the Group adjusted operating income by excluding this expense.
(2) As presented in the consolidated income statement.

A) TOTAL REVENUE

The following table shows the change in Group consolidated revenue for fiscal years 2019 and 2018, total and by type of income:

(in millions of euros)	Year ended December 31 2019	2018	Change	Change at constant exchange rates
Vehicle rental income	2,838.7	2,748.0	3.3%	3.3%
Other revenue associated with vehicle rental	128.5	126.6	1.5%	1.3%
Franchising business income	55.2	54.7	0.9%	0.9%
TOTAL REVENUE	**3,022.4**	**2,929.3**	**3.2%**	**3.2%**

Income from recurring operations is designated by the term "revenue" or "consolidated revenue" in this document.

Revenue includes vehicle rental income (net of discounts and rebates and excluding intra-group sales and value added taxes on sales), fees from the services related to vehicle rental (including fuel), and the franchise fees received from the Europcar franchise network:

- **revenue from vehicle rentals** covers the rental income generated by the agencies operated directly by the Group and the income generated by the rental agencies operated by agents;
- **income related to complementary vehicle rental services** includes the revenue from fuel sales and the fees received for managing "Major Accounts" fleets, as well as the income generated by car sharing and chauffeur car service; and
- **revenue from the rental activity of franchises** consists of the annual franchise fees, entry and regional fees and other fees, such as the reservation fees invoiced by Europcar, collections costs and the cost of the IT services provided to the franchises. The franchise fees paid to the Group by its franchisees are determined on the basis of the rental revenue generated by the franchisees in their regions.

Revenue for fiscal year 2019 totaled €3,022 million, up 3.2% over 2018. When restated for the foreign exchange effects of non-euro currencies, this increase is 3.2%.

Rental revenues, which rose 3.3% at constant exchange rates, benefited from a 3.7% jump in rental day volume, with 91 million rental days compared to 2019.

B) FLEET HOLDING COSTS

Fleet holding costs represent the "depreciation costs" on vehicles acquired under contracts with buy-back clauses or on at-risk vehicles, the costs related to vehicle lease agreements, costs related to the purchase and sale of vehicles, and taxes on vehicles (see the "Cost structure and operational efficiency" paragraph in Section 3.1.1.2 "Main factors that can impact the Group's results").

Fleet holding costs increased 5.7% at reported exchange rates to €806.2 million in 2019. Fleet holding costs include fleet depreciation expenses (vehicles acquired and financed through loans recorded on the balance sheet) and payments on operating leases for vehicles including their financial component, in accordance with accounting standards (e.g., vehicles financed through leasing).

Operating lease payments automatically include a component of financial interest. As explained below, the accounting methods employed for fleet financing expenses depend on the type of financing (operating lease or other type of financing). For the sake of clarity, the Group consolidates all fleet financing expenses in its management income statement, analyzing them together as part of adjusted corporate EBITDA (see the "Adjusted corporate EBITDA" paragraph in Section 3.1.2.2 "Analysis of Group results"); it excludes these expenses from its analysis of fleet holding costs.

Restated to account for the estimated financial expenses of operating leases (totaling €52.4 million in 2019 and €55.2 million and 2018), the change in fleet holding costs is attributable to the increase in business activity, continued improvements in the monthly cost per vehicle and a slight decrease in the utilization rate:

- **when restated to account for the estimated financial expenses of operating leases**, fleet holding costs increased by 6.5% at reported exchange rates, slightly higher than the 5% increase at the fleet level;
- **fleet holding costs per vehicle** rose slightly to around €187.80 per vehicle (compared to €185.20 in 2018). This increase in fleet holding costs per vehicle is partly due to a mix effect with a larger proportion of light commercial vehicles and trucks and vehicles utility vehicles related to urban mobility (electric vehicles). The arrival of Fox at the end of 2019 should reduce this mix effect in the coming years;
- **the fleet utilization rate** remained stable in 2019 at 76.0% compared with 76.1% the previous year.

C) FLEET OPERATING, RENTAL AND REVENUE-RELATED COSTS

Fleet operating, rental and revenue related costs consist of the operating costs of the fleet (including insurance costs), commissions and franchise fees related to ordinary revenue, and rental-related costs.

Fleet operating, rental and revenue-related costs rose 5.5% at reported exchange rates, to €1,044.8 million in 2019, along with a significant increase in revenue.

- **Fleet operating costs** rose 5.8% at reported exchange rates. This increase is slightly higher than the average increase for the fleet (5%) and is due in particular to an increase in the cost of repairs and badly damaged vehicles;
- **Vehicle rental-related costs, such as fees and commission paid to travel agents and for partnerships (easyJet, etc.), rose 7.1% at reported exchange rates. This increase is due in particular to the increase in e-commerce expenses incurred in order to reinforce the brand's presence on new booking channels;**
- **Rental-related costs** rose 4.8% at reported exchange rates, primarily due to an increase in airport taxes and the cost of preparations and transfers despite a stable number of rentals (+0.4%).

D) NETWORK COSTS (OVERHEAD AND PERSONNEL COSTS)

Network overhead and personnel costs totaled €464.5 million in 2019, up 8.5% at reported exchange rates. This increase of €36.3 million at reported exchange rates is primarily due to new acquisitions, the inflation of the payroll, as well as mandatory increases in minimum wages.

E) HEADQUARTERS COSTS (OVERHEAD AND PERSONNEL COSTS)

Headquarters overhead is the cost of the headquarters of the Company and its subsidiaries: personnel costs, lease expenses, travel expenses and consulting fees. Expenses related sales, marketing, and IT are also included in these costs.

Personnel costs totaled €206.5 million in 2019, a 0.5% drop at reported exchange rates. This slight decrease in personnel costs is the result of the streamlining of headquarters costs (initial impacts of the "HQ 2020" project and the effects of the integration of the Group's acquisitions in previous years).

Headquarters overhead costs were up 4.8% to €133.7 million. This increase in expenses is mainly due to the acquisition of companies in Finland, Norway and the United States.

IT expenses also rose in order to support projects to digitize our business lines and improve customer experience tools and processes.

F) NON-FLEET AMORTIZATION, DEPRECIATION AND IMPAIRMENT

Non-fleet amortization, depreciation and impairment primarily reflects the amortization of intangible assets (software and operating systems owned by the Group), and depreciation of property, plant and equipment (computer equipment) and impairment.

Under IFRS 16, non-fleet depreciation, amortization and impairment also includes amortization related to rights of use linked to real estate and equipment leases.

Non-fleet depreciation, amortization and impairment, excluding the impact of IFRS, increased by €3.6 million to €48 million in 2019.

G) OTHER INCOME

Other income and expenses reflect net income resulting from certain commercial agreements, reversals of unused provisions, gains or losses on the sales of property, plant and equipment and other items (such as retrocessions pursuant to lease agreements or tax penalties).

Other income and expenses remained stable, rising from €11.8 million to €12 million for the fiscal year ended December 31, 2019.

H) OTHER NON-RECURRING INCOME AND EXPENSES

Other non-recurring income and expenses consists of the costs related to acquisitions of companies, reorganization costs, and other operating costs.

Acquisition-related expenses include expenses incurred in connection with the integration of acquisitions, such as legal and accounting fees, lay-off expenses and related consulting fees resulting mainly from:

- streamlining of the rental agency network and support functions;
- asset depreciation and transfer costs; and
- lease termination and cost of returning properties to original condition.

Reorganization expenses represent the costs incurred to restructure operations during economic slowdowns, or in order to adapt the local organization or the Group structure to changing economic conditions. These expenses include staff reduction costs, consultancy fees, asset depreciation and transfer costs, and early lease termination costs incurred as part of restructuring programs.

Unusual, abnormal and infrequent items are presented separately in other non-recurring income and expenses in order to provide a clearer picture of the Group's performance.

In 2019, other non-recurring income and expenses represent an expense of €58.2 million and include:

- reorganization expenses and costs relating to the various transformation projects in the amount of €37.6 million, mainly in the United Kingdom, France, Italy and Germany;
- costs relating to the settlement of disputes in the amount of €3.1 million;
- acquisition costs of €4.3 million, mainly related to the acquisitions of the Finnish and Norwegian franchisees and of Fox Rent-A-Car.

I) ADJUSTED CORPORATE EBITDA

Adjusted corporate EBITDA dropped 15%, from €327.3 million in 2018 to €278.3 million in 2019. The margin of the adjusted corporate EBITDA as a percentage of revenue decreased by 2 points from 11.2% in 2018 to 9.2% in 2019.

Despite an increase in revenue, the margin on variable costs [(1)] dropped by €7.4 million. The margin on variable costs was 40.5%.

Fleet-related financial expenses (estimated interest on operating leases and financial expenses related to fleet financing on the balance sheet) fell slightly by 0.6% to €120.2 million, which was a lower increase than the increase in the average fleet size during fiscal year 2019 compared with 2018, which was 5%.

J) NET FINANCING COSTS

Net financing costs include the gross financing cost, including the net financial expenses on borrowings intended to finance the fleet, net financial expenses on other borrowings (excluding estimated interest included in the operating lease payments, which are recorded in operating income), and other financial income and expenses. Other financial income and expenses primarily represent the impact from the trading of derivative financial instruments, the amortization of transaction costs, foreign exchange differences, the financial components of pension charges (discounting effect, expected return on plan assets), dividend income, profit or loss from financial instruments that are recorded in the income statement, and the ineffective portions of the gains or loss on cash flow hedging instruments, as well as other charges related to refinancing or prepaying certain borrowings.

The net financing costs are a net expense of €169 million in 2019 (excluding the impact of IFRS 16) compared to €176.4 million in 2018. In 2019, this item mainly includes:

- €67.9 million in interest on the borrowings intended to finance the fleet carried on the balance sheet, compared to €65.8 million last year, up slightly due to the integration of Goldcar into the securitization program;
- €62.3 million in interest on other borrowings (subordinated bonds in the corporate debt), compared to €64.4 million in 2018. The change compared to the previous year is due to the refinancing of senior bonds during the first half of 2019, which resulted in the early redemption of Europe Mobility Group's existing bonds in the amount of €600 million, bearing interest at 5.75% and maturing in 2022, and the issue of senior bonds in the amount of €450 million, at a rate of 4% maturing in 2026;
- €16.5 million related to the current amortization of the bond transaction fees; and

(1) The margin on variable costs corresponds to the total revenue net of the rental fleet holding costs (excluding estimated interest included in operating lease payments) and fleet operating, rental and revenue related costs.

- €20.4 million for other financial expenses primarily related to foreign exchange differences, the cost of discounting corporate commitments to employees, management expenses and the cost of establishing lines of credit.

Under the new IFRS 16 standard, net financing costs now include financial interest related to lease liabilities, which totaled €17 million in 2019.

K) INCOME TAX

Income tax for the year represents current and deferred taxes, as well as the French business contribution on added value (cotisation sur la valeur ajoutée, or CVAE). Income tax is recognized in the income statement except to the extent that it relates to items directly recognized in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, calculated using tax rates enacted or substantially enacted at the reporting date, and subject to any adjustment to tax payable for previous years.

The deferred tax expense is based on the pattern of realization or early payment of the carrying value of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the tax asset can be utilized. This probability is assessed based on:

- the existence of temporary differences that will give rise to taxation in the future; and
- forecasts of taxable profits.

Income tax represented a net expense of €32.9 million in 2019 versus a net expense of €51.9 million in 2018. This decrease mainly stems from the marked decline in the taxable base between 2018 and 2019 as well as the increase in non-capitalized tax loss carry forwards due to limited future taxable income.

L) SHARE OF PROFIT OR LOSS IN COMPANIES ACCOUNTED FOR UNDER THE EQUITY METHOD

At December 31, 2019, none of the companies held by the Group were consolidated under the equity method.

In 2019, the Group acquired a controlling interest in its subsidiary Wanderio (91.83% ownership in 2019). The entity is today fully consolidated in the Group's consolidated financial statements.

In 2018, the share of net profit or loss of the companies accounted for under the equity method represented a loss of €1.3 million.

M) NET PROFIT (LOSS)

The Group recorded a net profit of €38 million, compared to €73.5 million in 2018, excluding the impact of the exceptional capital gain generated by the disposal of the Group's stake in car2go and the impact of IFRS 16.

Net profit after the impact of IFRS 16 was €29.6 million.

3.1.2.3 Analysis by operating segment

The table below presents (i) the distribution of revenue generated by the various Business Units and (ii) the margin after variable costs before the impact of IFRS 16 for the years ended December 31, 2019 and 2018:

	Year ended December 31			
By *Business Unit* *(in millions of euros)*	**2019**	2018	Change	Change at constant exchange rates
Cars BU	2,157.4	2,121.6	1.7%	1.7%
Vans & Trucks BU	365.7	344.2	6.2%	6.2%
Low Cost BU	410.6	388.2	5.5%	5.6%
Urban Mobility BU	49.0	35.6	37.4%	36.8%
International Coverage BU	39.7	39.7	0.1%	0.1%
Total revenue	**3,022.4**	**2,929.3**	**3.2%**	**3.2%**
CARS, VANS & ICOV BU	1,068.7	1,084.2	(1.5)%	(1.5)%
Low Cost BU	156.0	140.8	10.8%	10.8%
Urban Mobility BU	(1.9)	6.1	(131.8)%	(131.6)%
Margin after variable costs	**1,223.8**	**1,231.1**	**0.6%**	**0.6%**
MAVC as a % of revenue	*40.5%*	*42.0%*	*- 1.5 pt*	
CARS, VANS & ICOV BU	542.4	583.6	(7.1)%	(7.1)%
Low Cost BU	74.8	68.5	9.2%	9.2%
Urban Mobility BU	(11.7)	(1.6)	644.6%	650.7%
Margin after network costs	**606.5**	**650.6**	**(6.8)%**	**(6.8)%**
MANC as a % of revenue	*20.1%*	*22.2%*	*2.1 pt*	

Total revenue

Revenue for fiscal year 2019 totaled €3,022 million, up 3.2% over 2018. This increase is mainly due to the 3.7% increase in the rental day volume.

Rental revenue from the Cars Business Unit increased by 2.1% thanks to a 1.9% increase in rental day volume and a slight 0.2% increase in RPD. The business segment saw a decline in rental day volume (1.6%). The Leisure segment of the Cars Business Unit saw an increase in rental day volume and a higher RPD. At constant exchange rates, revenue per rental day (RPD) of the Cars Business Unit remained stable in 2019, mainly due to two phenomena: a 0.4% increase in RPD in the business segment and a 0.3% drop in the Leisure segment.

Rental revenues from the Vans Business Unit increased by 6.5% thanks to an increase in rental day volume of 10.1%, despite a 3.3% drop in RPD. Like for like, rental revenue increased by 5.7%, boosted by Germany, France and Buchbinder. Rental revenue for the business segment increased by 8.8% while the Leisure segment rental revenue dropped by 0.6%. The business segment's share increased by 1.7 pts to 77% of the Business Unit's revenue in 2019.

Revenue for the International Coverage Business Unit remained stable at €40 million despite the acquisitions of Finnish and Norwegian franchisees during the year.

Revenue for the Low Cost Business Unit rose 5.5%, primarily thanks to the acquisition of Fox Rent-A-Car in November (impact of €37 million on 2019).

Revenue for the Urban Mobility Business Unit was up by 37.4% at reported exchange rates. This increase was mainly due to car sharing activities. It was made possible by a major marketing investment for the acquisition of new customers and by the increase in fleet size.

Margin after variable costs

In 2019, the Group's margin after variable costs was €1,223.8 million. It dropped by nearly €7 million (down 0.6% at reported exchange rates). The performance of the operating segment of the Cars, Vans & Trucks and International Coverage Business Units dropped by 1.5%, mainly due to increased fleet and lease expenses.

The margin after variable costs of the Low Cost Business Unit increased by €15 million thanks to the acquisition of Fox Rent-A-Car and controlling operating costs. The margin rate after variable costs of the Low Cost Business Unit increased by 1.6 points to 38%.

The margin after variable costs of the Urban Mobility Business Unit was stable.

Margin after network costs

In 2019, the Group's margin after network costs was €606.5 million, or 20.1% of revenue (a 6.8% drop at reported exchange rates). The performance of the Cars, Vans & Trucks and International Coverage Business Units dropped 7.1% because of a lower margin on variable cost and an increase in network costs.

The performance of the Low Cost Business Unit increased by roughly €6 million thanks to the acquisition of Fox Rent-A-Car.

The margin after variable costs of the Urban Mobility Business Unit was down €10.1 million mainly due to needed investments in customer acquisition costs that required a period with a higher utilization rate of the available fleet.

3.2 THE GROUP'S LIQUIDITY AND CAPITAL RESOURCES

Unless otherwise explicitly indicated, the figures for fiscal year 2019 are presented in the notes and tables after the application of IFRS 16.

3.2.1 General overview

The Initial Public Offering in 2015 made it possible for the Group to reshape its capital structure and improve its corporate credit profile by allocating a portion of the proceeds from the €475 million capital increase and issuance of €475 million senior subordinated notes due 2022 paying 5.75% annual interest, completed on June 10, 2015, to the repayment of the two bond issues outstanding at the time.

In 2016, Europcar continued to work on securing and optimizing its main sources of funding. In June 2016, the Group issued a new tranche of €125 million in senior subordinated notes fungible (assimilables) with the outstanding senior subordinated notes due 2022, increasing the total amount of the issuance to €600 million. In 2016, Europcar also finalized a transaction to renegotiate and optimize its Senior Asset Revolving Facility (SARF). On September 14, 2016, the Group signed amendments (i) to increase the amount of the facility from €200 million to €1.3 billion to meet the additional financing needs resulting from the Group's increased activity, (ii) to improve the margin by 20 basis points, or Euribor +150 bps, and (iii) to extend the final maturity from July 2019 to July 2020. In addition, interest rate hedging instruments were restructured, with improved financial conditions, and increased by €200 million to €1.2 billion. The year 2017 has been transformative for the Group's financing to support its growth and acquisitions, particularly of Buchbinder and Goldcar. On June 21, 2017, the Europcar Mobility Group increased capital through private placement at €12 per share for a gross total amount of €175 million, representing approximately 10% of the Company's share capital. On July 13, 2017, the Group signed a new senior secured Revolving Credit Facility (RCF) in the amount of €500 million due June 2022, arranged with a diversified pool of international banks. This credit line replaced the existing €350 million facility due 2020, arranged at the time of the Initial Public Offering. The Group optimized the financial conditions of this new RCF by reducing the margin by 25 basis points [(1)]. The €150 million increase in the nominal amount allowed Europcar to support its 2020 ambition and the related growing financing needs, as the two-year maturity extension offers to the Group further visibility on its main liquidity line.

On July 13, 2017 the Group also signed a €1,040 million bridge facility with a pool of international banks, to acquire Goldcar, refinance its existing debt, and fund its fleet. This facility included two tranches: one for €440 million with a 12 month maturity (+ possible 6-month extension) intended for the acquisition of Goldcar, and the other for €600 million with a 12 month maturity (+ possible 12-month extension) intended to refinance Goldcar's existing debt and to finance its rental fleet. In order to secure longer-term funding of this acquisition, and to optimize the terms and conditions, the Group actively worked in the second half of the year on refinancing and replacing this bridge loan:

- accordingly, the first tranche of this facility was canceled upon the completion of the Goldcar acquisition on December 19, 2017, thanks to a portion of the proceeds from the new issue of corporate senior notes due in 2024 in the amount of €600 million, completed by the Group on November 2, 2017 ("2024 Senior Subordinated Notes"). The other portion of the proceeds from the issue, in the amount of €200 million, was allocated primarily to refinance the drawings of the RCF made to fund on September 20, 2017 the acquisition of Buchbinder. The 2024 Senior Subordinated Notes pay a 4.125% annual fixed interest rate, a significantly lower rate than the 2022 Senior Subordinated Notes issued in 2015, reflecting the continuous improvement in the Group's credit profile and investor confidence in its corporate outlook;
- the second tranche was also canceled upon the completion of the Goldcar acquisition, and replaced by a new bridge facility arranged with a pool of international banks, in the amount of €450 million and secured by Goldcar fleet assets. This facility enabled the Group to simultaneously close and refinance Goldcar's existing debt, and allows Goldcar's Fleetcos entities in Spain, Italy and France to fund the acquisition of new vehicles. Each entity has monthly drawing rights on the facility for a period of 12 months starting December 19, 2017. This tranche was gradually amortized from June 2018 through the consolidation into the securitization of Goldcar's fleet financing, and in particular the increase in the SARF. On November 9, 2018, the Group amended this bridge facility by reducing the amount of the line by €200 million to accompany the decrease in its use. The credit limit amounts to 250 million as of December 31, 2018. This bridge facility was gradually repaid during 2019 and in full by the end of December 2019.

On November 2, 2017, Europcar refinanced the Senior Secured Notes issued by EC Finance plc ("EC Finance Notes") with a principal of €350 million, dedicated to the Group fleet financing as part of its securitization program. The new notes, repayable in November 2022 pay a 2.375% annual fixed interest rate, versus 5.125% for the previous notes issued on July 31, 2014. This significant coupon reduction reflects the improvement in the Group's credit profile, as well as recognition by investors and rating agencies of the soundness of Europcar's buy-back model.

On May 14, 2018, the Group signed new amendments to the SARF to allow the financing of the Goldcar vehicles and the repayment of its bridge facility. The main amendments were the increase of the line from €1.3 billion to €1.7 billion and the creation of special-purpose entities dedicated to the financing of the Goldcar fleet, the Goldfleet companies. The Group took this opportunity to renegotiate the margin from 1.50% to 1.30% and extend the maturity of the facility from January 2020 to January 2022.

On June 29, 2018, the Company issued a new €150 million tranche of EC Finance Notes assimilated with the existing EC Finance Notes. The offering price of the notes was set at 99.0001% with a yield to maturity of 2.6178%. These notes thus bring the total amount of EC Finance Notes to €500 million. The delivery and settlement and the listing of the notes on the Euro MTF market of the Luxembourg Stock Exchange occurred on June 29, 2018. The proceeds of the issue were used to finance the integration of the Goldcar fleet vehicles into the Group's securitization program.

On October 19, 2018, The Club Facility, Europcar UK's fleet financing line reaching maturity in October 2019 was refinanced through the signing of a new line of £400 million with a three-year maturity with a two-year extension option including the Goldcar UK fleet financing. In addition to the extension of the maturity, this new line benefits from improved margin conditions, reduced by 20 basis points to 1.80% additionally to disappearing or easing of the covenants.

On December 21, 2018, the RCF was amended on in order to introduce a new usage variant of the credit facility entitled "Swingline" (as defined in the RCF) for a maximum amount of €150 million, maturing in June 2022. This new use of the facility was intended to mitigate the effects of any possible shutdown of the Negotiable European Commercial Paper market, NEU CP and thus hedge the NEU CP program launched by the Group on February 11, 2019 for an amount of €450 million to finance its general requirements. On May 29, 2019 the Group increased the amount of the credit facility again from €500 million to €650 million as part of the refinancing of the 2022 Senior Subordinated Note. The Group took this opportunity to introduce two one-year maturity extension options. The first option was exercised on July 17, 2019, extending the RCF's maturity to 2023.

On April 24, 2019, the Group proceeded with the early redemption of the €600 million 5.7% 2020 senior subordinated Note by issuing new senior subordinated notes of €450 million at a rate of 4% maturing in 2026 and increasing the RCF by €150 million.

(1) Euribor +225 bps for a corporate leverage ratio below 2x and Euribor +250 bps for a corporate leverage of above 2x.

In addition to the adjustment of the debt capital structure to support the 2020 ambition, especially in terms of external growth, the successful completion of all these transactions brings other major benefits to the Group, including:

- a stronger financial structure, particularly regarding the equity level;
- a significant reduction in its interest expense on a standalone basis;
- an extension of the maturities on most of its indebtedness;
- securing its main sources of fleet financing essential for its activity; and
- the establishment of a simpler and more flexible long-term capital structure.

The Group corporate net leverage was 3.2x at end December (including Fox) and 3.0x before the acquisition of Fox, compared to 2.4x in 2018.

Reflecting the soundness of the Group's financial structure and financial fundamentals, as well as the pertinence of its 2020 strategic plan, from which the Buchbinder and Goldcar acquisitions are part, the rating agencies Moody's and S&P respectively reaffirmed in 2017 the Group's ratings as B1 (stable outlook) and B+ (stable outlook). And in 2018, rating agency S&P raised its outlook from stable to positive.

On April 15, 2019, the rating agency S&P recognized the improvement in the Group's operational performance by raising its rating from B+ to BB-.

The weak third-quarter earnings performance and the resulting alert on the 2019 annual targets led S&P to lower its outlook for the Group's rating from Stable to Negative on October 30, 2019, while Moody's placed the Group on watch before downgrading it on October 29, 2019.

3.2.1.1 Financial resources

The Group's principal financing needs include fleet financing, working capital requirements, capital expenditure (including the financing of acquisitions), interest payments and loan repayment. The Group's principal regular sources of liquidity are its operating cash flows as well as its financing, a substantial portion of which is dedicated to and secured by the fleet and is recognized on the statement of financial position. The Group's ability to generate cash flow from its operating activities in the future will depend on its future operating performance, which depends to a certain extent on external factors including the risk factors described in Chapter 2 "Risk factors". The Group also has cash and cash equivalents to finance its ongoing business requirements. In addition, the Group holds cash and cash equivalents that are considered "restricted cash" when it is (i) used to cover future settlement of insurance claims or (ii) is not immediately available to finance the activity of subsidiaries. This includes, in particular, cash that is held within certain special-purpose entities set up for vehicle rental activities.

In 2019, the Group's primary sources of financing were as follows:

- **cash generated from operating activities**, amounting to €33 million in 2019 compared with €156 million in 2018. The €55 million increase in operating income before working capital requirements partially offset the decline in changes in working capital requirement due to the buy-back vehicles recognized in the statement of financial position (payables and receivables) and vehicles financed through leases recognized in the statement of financial position pursuant to IFRS 16;
- **available cash.** Cash and cash equivalents totaled €527 million as of December 31, 2019 (compared with €358 million as of December 31, 2018). The Group also has restricted cash (defined as cash used to cover the future settlement of insurance claims or cash that is not immediately available to finance the activity of subsidiaries) which totaled €117 million as of December 31, 2019 (compared with €91 million as of December 31, 2018);
- **indebtedness.** As of December 31, 2019, the total amount of the Group's consolidated gross indebtedness was €4,807 million (compared with €3,747 million as of December 31, 2018). The Group believes that €3,459 million relates to fleet financing (versus €2,574 million at the end of 2018). In this respect, this debt is essentially secured or backed by assets, primarily vehicles and receivables from manufacturers. Furthermore, to finance its fleet, the Group also uses operating leases recorded in the statement of financial position as right-of-use vehicles. The outstanding amounts of operating leases are no longer presented in off-balance sheet commitments. The Group has decided to include all fleet-related operating leases in the scope of application of IFRS 16. A lease liability was therefore recognized in the statement of financial position in the amount of €486 million as at December 31, 2019.

The Group believes that its financing needs for its daily operations in 2020 will consist primarily of its fleet financing, working capital requirements, interest expense, expenses related to IT development, and repayment of its borrowings.

3.2.1.2 Debt

As of December 31, 2019, the total amount of the Group's consolidated corporate net debt was €880 million compared with €795 million as of December 31, 2018.

On the same date, the total Net Fleet Debt, which is backed by assets, amounted to €3,403 million compared with €4,330 million as of December 31, 2018. Of this amount, €179 million corresponds to debt relating to rental commitments on operating leases.

The table below presents net corporate debt and total net debt (including the estimated outstanding value of the fleet financed through operating leases).

(in millions of euros)		At December 31 2019	2018
2024 Unsecured Senior Subordinated 4.125% Notes		600	600
2022 Unsecured Senior Subordinated 5.75% Notes		-	600
2026 Unsecured Senior Subordinated 4% Notes		450	-
Senior Revolving Credit Facility		518	230
FCT Junior notes (1), accrued interest, capitalized costs of financing agreements and other costs (2) (3)		(227)	(257)
Corporate gross debt recognized on statement of financial position	(A)	**1,341**	**1,173**
Short-term investments (4) Cash held by operating and holding entities and short-term investments (4)		(461)	(377)
Net corporate debt recognized on statement of financial position	(B)	**880**	**795**
2022 Secured Senior 2.375% Notes		500	500
Senior Asset Revolving Facility		1,134	557
FCT Junior Notes (1), capitalized costs of financing agreements and other		253	252
Fleet financing in the United Kingdom, and Australia and other fleet financing facilities (including Buchbinder and Goldcar)		1,575	1,265
Gross financial fleet debt recognized on statement of financial position	(C)	**3,462**	**2,574**
Short-term fleet investments Cash held by fleet-owning entities and short-term fleet investments		(235)	(127)
Fleet net debt on balance sheet	(D)	**3,227**	**2,447**
Gross debt recognized on statement of financial position	*(A) + (C)*	*4,803*	*3,747*
Net debt recognized on statement of financial position	*(B) + (D)*	*4,107*	*3,242*
Fleet-related rental debt (5)	(E)	**132**	**1,883**
Total net fleet debt (including rental fleet)	(D) + (E)	**3,359**	**4,330**
Total net debt (including rental fleet)	(B) + (D) + (E)	**4,239**	**5,125**

(1) The proceeds from the FCT Junior Notes subscribed by Europcar International S.A.S. ("ECI") ") provide the overall credit enhancement and, where applicable, additional liquidity. FCT Junior Notes are used only to finance the fleet debt requirement. FCT Junior Notes are subscribed by ECI using available cash or draws on the Senior Revolving Credit Facility.
(2) For countries where fleet costs are not financed through special-purpose entities (e.g. Securitifleet entities), the cash used to finance the fleet, which could have been financed by fleet debt, is restated from the net fleet debt with a de-risk ratio.
(3) Including accrued interest for financial assets (Euroguard).
(4) Includes the Group's insurance program (see Section 2.6 "Risk management procedures").

3.2.2 Analysis of cash flows

3.2.2.1 Analysis of management cash flows

The Group believes that corporate free cash flow is a useful indicator because it measures the Group's liquidity based on its ordinary activities, including net financing costs on borrowings dedicated to fleet financing, without taking into account (i) disbursements in connection with debt refinancing, (ii) financial costs which, due to their exceptional nature, are not representative of the trends in the Group's results, (iii) financial investments, and (iv) cash flows related to the fleet, analyzed separately, because the Group makes its acquisitions through asset-backed financing.

The table below shows the calculation of corporate free cash flows, as well as the grouping of certain items deemed significant in analyzing the Group's cash flow, including cash flow relating to changes in the rental fleet, in fleet-related trade receivables and trade payables, and in fleet-related financing and other facilities financing working capital requirements that are principally used for fleet-related needs. This presentation differs from the IFRS statement of cash flows primarily due to the analytic grouping carried out and the items that do not affect cash flow, which vary based on the financial indicator used as the starting point (in this case, Adjusted Corporate EBITDA, as presented below, compared with pretax profit in the IFRS statement of cash flows). This presentation also excludes the impacts of the new IFRS 16 standard.

Management cash flows

(in millions of euros)	**December 2019**	December 2018
Adjusted Corporate EBITDA	**278**	**327**
Other non-recurring income and expenses	(55)	(48)
Acquisitions of intangible assets and property, plant and equipment, net of disposals	(75)	(67)
Changes in provisions and in non-rental fleet working capital requirement	1	(31)
Income taxes paid	(30)	(46)
Corporate free cash flow	**118**	**135**
Net interest paid on high-yield borrowings	(51)	(60)
Cash flow after payment of high-yield interest	**67**	**75**
Change in rental fleet, working capital requirements, fleet financing and working capital facility	497	63
Disposals, acquisitions of subsidiaries, net of cash acquired and other investment transactions	(104)	50
Increase in share capital and buybacks	(30)	(30)
Special distribution	(39)	(24)
High-yield Note	(150)	-
Derivatives	-	(6)
Payment of transaction costs	(38)	(15)
Increase/(decrease) in cash and cash equivalents before effect of foreign exchange differences	**202**	**113**
Cash and cash equivalents at beginning of period	*425*	*313*
Effect of foreign exchange differences	*2*	*(1)*
Changes in scope of consolidation	-	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**628**	**425**

Corporate free cash flow

Corporate free cash flow is defined as free cash flow before the impacts of the rental fleet and acquisitions of subsidiaries. Free cash flow was reflected in the €110 million in cash generated in 2019 (compared with €135 million in 2018), also affected by non-recurring items:

- adjusted Corporate EBITDA increased by €62 million to €327 million in 2019;
- in 2019, other non-recurring income and expenses primarily include reorganization costs in the United Kingdom, Italy, France and Germany, expenses for the Group's various transformation projects, and fees linked to the integration of subsidiaries acquired in 2019;
- investments in property, plant and equipment and intangible assets, net of the net value of disposals, which totaled €75 million, principally reflect IT investments and, to a lesser extent, network investments. The €11 million increase in 2019 compared to 2018 is due to the change in scope of consolidation following the acquisition of the Finnish and Norwegian franchisees and of Fox Rent A Car and the increase in the Group's IT developments;
- changes in non-vehicle fleet provisions and working capital requirements represent a cash inflow of €1 million

in 2019 compared to a cash outflow of €31 million in 2018, primarily because of the factoring program set up by the Group in the last quarter of 2019. At December 31, 2019, the outstanding amount of assigned and financed receivables totaled €20.5 million, reducing the Group's net debt by the same amount;

- income tax paid represented a cash outflow of €30 million in 2019 compared with €46 million in 2018, i.e., a decrease of €16 million given the fall in taxable earnings and reimbursements received in the United Kingdom in 2019.

Other components of cash flow

The change in the fleet recorded on the statement of financial position, fleet receivables and payables, fleet financing and working capital facility covers the following items:

- first, fleet-related impacts. Given the asset-backed financing, the net impact of the various components (change in the fleet, in working capital requirements and in fleet financing) is primarily the result of temporary lags between (i) the delivery of a vehicle and payment for this delivery, and (ii) the possibility of securitizing these vehicles and, therefore, their financing. Changes from one year to the next may thus be significant; and
- second, changes in credit facilities.

In 2019, the net impact represented a cash inflow of €468 million, compared with a cash inflow of €63 million in 2018.

Disposals and acquisitions of subsidiaries, net of cash acquired and other investment transactions represented a cash outflow of €104 million in 2019 compared with a cash inflow of €50 million in 2018.

In 2019, disbursements mainly related to the acquisition of the Finnish and Norwegian franchisees (€38 million) and of Fox Rent A Car (€49 million).

Lastly, outflows relating to transaction costs totaled €10 million in 2019, compared with €15 million in 2018, as a result of the refinancing carried out during the past two years.

In 2018, the disposal of Car2Go generated a cash inflow of €70 million, offset by disbursements relating to the acquisitions made by the Group in the previous year.

3.2.2.2 Analysis of IFRS cash flows

The Group's principal cash flow drivers are its operating performance (as reflected in its operating profit before changes in working capital), cash flow from financing transactions, interest on Corporate debt, cash flow from acquisitions and disposals of fleet, and cash flow from investing activities.

	IFRS	
(in millions of euros)	**December 2019**	December 2018
Net cash from (used by) operations	(132)	(28)
Net cash used by investing activities	(181)	(17)
Net cash generated from (used by) financing activities	515	158
NET INCREASE (DECREASE) IN CASH	**202**	**113**

A) NET CASH FROM (USED BY) OPERATIONS

The table below summarizes the net cash flows generated by the Group's operations for the fiscal years ended Tuesday, December 31, 2019 and 2018.

	IFRS	
(in millions of euros)	**December 2019**	December 2018
Net cash from operations before changes in working capital	**382**	**327**
Changes in the rental fleet recorded on the statement of financial position and fleet working capital	359	(155)
Changes in non-fleet working capital	10	(16)
Cash generated from operations	**33**	**156**
Income tax received/(paid)	(30)	(46)
Net interest paid	(135)	(138)
NET CASH FROM (USED BY) OPERATIONS	**(132)**	**(28)**

CASH GENERATED FROM OPERATIONS

Cash generated from operations represented a cash inflow of €33 million in 2019, compared with a cash inflow of €156 million in 2018. The €55 million increase in operating income before working capital was partly offset by a decline in net working capital requirement.

Cash outflow from changes in the rental fleet and in fleet working capital requirement totaled €359 million in 2019, compared with €155 million in 2018.

Changes in non-fleet working capital working capital t represented a cash inflow of €10 million in 2019, compared with a cash outflow of €16 million in 2018. This difference was due to cash collection efforts made by the Group during the second half of 2019 as well as the factoring program signed in December to finance up to €21 million in trade receivables.

INCOME TAX RECEIVED/(PAID)

Income tax paid represented a cash outflow of €30 million in 2019 compared with €46 million in 2018, i.e., a decrease of €16 million given the fall in taxable earnings and reimbursements received in the United Kingdom in 2019.

NET INTEREST PAID

The decrease in net interest paid, which fell from €138 million in 2018 to €135 million in 2019, was due to the decrease in taxable earnings and reimbursements received in the United Kingdom in 2019.

3

B) NET CASH FLOW FROM INVESTING ACTIVITIES

The Group's net cash flows used by investing activities for the years ended Tuesday, December 31, 2019 and 2018 are analyzed below:

	IFRS	
(in millions of euros)	**December 2019**	December 2018
Acquisition of intangible assets and property, plant and equipment	(84)	(73)
Proceeds from disposal of intangible assets and property, plant and equipment	9	6
Proceeds from the sale of subsidiaries	2	70
Acquisition of subsidiaries net of cash acquired and other financial investments	(107)	(20)
NET CASH USED BY INVESTING ACTIVITIES	**(181)**	**(17)**

Net cash flows used in investing activities represented a cash outflow of €180 million in 2019 compared with €17 million in 2018.

Investments in property, plant and equipment and intangible assets, net of the net value of disposals, which totaled €75 million, mainly reflect IT developments primarily designed to improve the customer experience for €29 million and the purchase of equipment in stations and computer equipment for €29 million.

Proceeds from subsidiary disposals in 2018 relate to the sale of Car2Go, which generated a cash inflow of €70 million.

In 2019, disbursements related to acquisitions of subsidiaries, net of cash acquired, and other financial investments amounted to €105 million and mainly related to the acquisition of the Finnish and Norwegian franchisees (€38 million) and of Fox Rent A Car (€49 million).

In 2018, disbursements related to acquisitions of subsidiaries, net of cash acquired, and other financial investments amounted to €20 million and related to the acquisitions made by the Group in the previous year.

C) NET CASH FLOW FROM FINANCING ACTIVITIES

The table below summarizes the Group's net cash flows generated from (used by) financing activities for the years ended Tuesday, December 31, 2019 and 2018.

	IFRS	
(in millions of euros)	**December 2019**	December 2018
Capital increase (net of related expenses)	12	-
(Purchases)/Sales of treasury shares net	(42)	(30)
Special distribution	(39)	(24)
Issuance of bonds	(150)	148
Change in lease liabilities	(162)	-
Derivatives	-	(6)
Change in other borrowings	905	85
Payment of transaction costs	(9)	(15)
NET CASH GENERATED FROM (USED BY) FINANCING ACTIVITIES	**515**	**158**

Net cash generated from financing activities represented a cash inflow of €515 million in 2019, compared with a cash inflow of €158 million in 2018.

Inflows in 2019 were mainly related to the refinancing of Senior notes (€450 million issued at a rate of 4% maturing in 2026 and the early redemption of all existing notes for €600 million bearing interest at 5.750% and maturing in 2022) and the amendment of the €500 million Senior Revolving Credit Facility (RCF) to increase the maximum amount available by €150 million to €650 million.

Inflows in 2018 relate to the issue of senior notes bearing interest of 2.375% in an amount of €150 million due 2022.

3.2.3 Description of financing at Tuesday, December 31, 2019

The Group uses various financing arrangements to fund the acquisition of its fleet and other general, non-fleet financing needs. The Group's corporate debt (i.e., the debt that is not intended to finance the fleet) is currently composed primarily of senior subordinated notes and the Senior Revolving Credit Facility (RCF) with the exception of RCF drawdowns for fleet financing. Since February 2019 it also includes issues under the NEU CP program. The Group's fleet financing manly consists of the Senior Asset Revolving Facility (the "SARF") and the related securitization, Senior Secured Notes, operating leases and fleet financing facilities in all countries and in particular in Germany, the United Kingdom, Australia, New Zealand and the United States. The main items comprising the Group's financial liabilities are described below, with a description of the corporate debt followed by a description of the fleet financing arrangements.

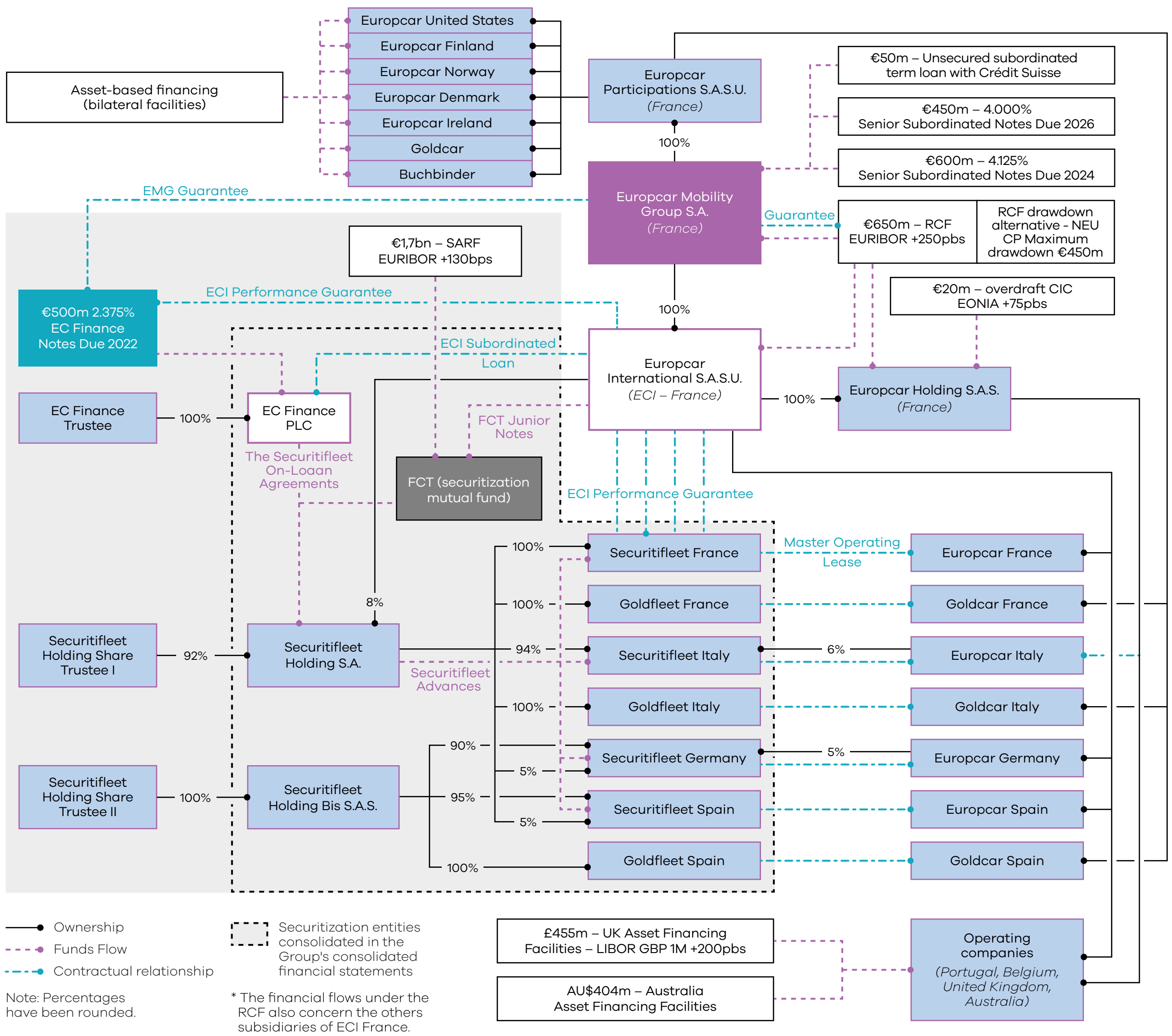
The Group's main lenders are Crédit Agricole Corporate and Investment Bank, Deutsche Bank AG, London Branch, BNP Paribas, Natwest, Lloyds, HSBC, Crédit Industriel et Commercial, Société Générale, Natixis, as well as Bank of America Merrill Lynch, and some of their affiliates, and others.

The following table presents a summary of the Group's financial debt (on-balance sheet and the estimated value of the outstanding amount for vehicles financed using operating leases) as of Tuesday, December 31, 2019.

Financing *(in millions of euros)*	On- or off-balance sheet	Security or Asset-Backed	Corporate Debt or Fleet Debt	Amount at Dec. 31, 2019		Interest rate before refinancing	Maturity
				Current	Non-current		
2026 Senior Subordinated Notes	On balance sheet	Yes (pledge on ECI shares held by Europcar Mobility Group S.A.) (Secured by certain subsidiaries)	Corporate	-	450.0	4%	2026
2024 Senior Subordinated Notes	On balance sheet	Yes (pledge on ECI shares held by Europcar Mobility Group S.A.) (Secured by certain subsidiaries)	Corporate	-	600.0	4.125%	2024
Notes Senior Revolving Credit Facility (RCF)[(1)]	On balance sheet	Yes (pledge of certain assets)	Corporate and Fleet	315.6	-	Euribor plus a margin that varies on the basis of a leverage ratio (2.50% at the date of this document)	2023
Commercial Paper	On balance sheet	Yes (pledge of certain assets)	Corporate and Fleet	232.7		Depending on the maturity of the issue	2021
Capitalized costs of financing agreements	-	-	Corporate and Fleet	(7.9)	(21.5)	-	-
Accrued interest	-	-	Corporate and Fleet	10.3	-	-	-
SARF/FCT Senior Notes	On balance sheet	Yes (Securitifleet and Goldfleet securities)	Fleet	1,134.0	-	Euribor plus a margin of 1.30% that varies on the basis of the financing by FCT Senior or Junior Notes and certain events (2.20% in case of certain breaches)	2022
EC Finance Notes	On balance sheet	Yes (Securitifleet and Goldfleet securities)	Fleet	-	500.0	2.375%	2022
UK fleet financing	On balance sheet	Yes	Fleet	434.2	-	Primarily Libor +1.80%	2022[(2)]
Fleet financing in Australia and New Zealand	On balance sheet	Yes	Fleet	151.5	-	Various conditions depending on the lenders	Renewed annually
Goldcar Asset-Backed Financing	On balance sheet	Yes	Fleet	114.9	-	margin changes with the age of the loan	2019
Buchbinder fleet financing	On balance sheet	Yes	Fleet	222.9	60.8	Various conditions depending on the lenders	Renewed annually
Other debt (notably Portugal, Denmark, Ireland)	On balance sheet	-	Fleet	385.7	223.6	Various conditions depending on the lenders	Dates vary depending on lines
Bank overdrafts	On balance sheet	-	Corporate and Fleet	15.4	-	Eonia +0.75%	-
TOTAL GROSS DEBT RECOGNIZED ON STATEMENT OF FINANCIAL POSITION				**2,994**	**1,813**		
Lease liabilities and relevant interest (IFRS 16)	On balance sheet	-	Fleet	192.5	292.2	-	Essentially renewed annually

(1) FCT Junior Notes are issued by the FCT and subscribed by ECI, which finances them through the Group's cash and RCF draws. These notes finance the portion not financed by the SARF and the EC Finance Notes.
(2) With an option of a two-year extension. The first two options were exercised in 2019.

The following graph presents the Group's financial debt as of Tuesday, December 31, 2019.



Rating

STANDARD & POOR'S

On July 8, 2015, following the initial public offering, the rating agency Standard & Poor's raised its long-term corporate credit rating on Europcar Mobility Group and its wholly owned financing subsidiary Europcar International S.A.S.U. from B to B+ with stable outlook. The agency reaffirmed its B+ rating and stable outlook in its October 16, 2017 publication along with the publication of the ratings of the Group's newly issued notes.

On October 16, 2017, Standard & Poor's also upgraded by two notches, from B+ to BB, the rating on EC Finance's issue of November 2, 2017 for €350 million in Senior Secured Notes due 2022, intended to finance the fleet.

At the same time, the agency reaffirmed its B- rating for the issue of €600 million in senior notes due 2022, the same rating as it gave to the new 2024 senior notes for €600 million issued by the Group on November 2, 2017 to finance and refinance the acquisitions of Goldcar and Buchbinder.

On October 16, 2017, the agency also reaffirmed its BB rating for the €500 million RCF arranged by Europcar Mobility Group in July 2017.

On June 13, 2018, the rating agency Standard & Poor's confirmed the B+ rating for Europcar Mobility Group and raised its outlook from stable to positive. In conjunction with this revision, the Agency downgraded EC Finance's senior notes due 2022 one notch to BB-. The ratings of the Group's other notes (senior notes due 2022 for €600 million, as well as senior notes due for 2024 for €600 million) remain unchanged at B-. The agency also reaffirmed its BB rating for the €500 million RCF due for 2022.

On April 15, 2019 the agency upgraded the Group's rating by one notch from B+ to BB-, thus recognizing the improvement in the Group's operational performance and its ability to integrate the major acquisitions carried out in 2017 (Buchbinder and Goldcar). At the same time, the agency upgraded the Group's debt rating by one notch.

On October 30, 2019, the agency maintained its BB- rating but downgraded its outlook from stable to negative following a weaker-than-expected performance during the third quarter of 2019.

Lastly, in the context of the implementation of the new Standard & Poor's methodology for sovereign risk ratings within the SARF, on February 24, 2017 the agency confirmed that the SARF, which is intended for fleet financing, had retained its "A" rating. Following the contractual changes made to the SARF in 2018, including the extension of its maturity to July 2024 and its increase from €1.3 billion to €1.7 billion, Standard & Poor's again confirmed its "A" rating for the program on May 17, 2018.

MOODY'S

On July 7, 2015, following the Initial Public Offering, Moody's Investors Service upgraded Europcar Mobility Group's corporate family rating (CFR) from B3 to B1. The agency reaffirmed this rating and the stable outlook in its October 16, 2017 publication along with publication of its ratings of the Group's newly issued notes.

On October 16, 2017, Moody's upgraded EC Finance's €350 million Senior Secured Notes due 2022, intended to finance the fleet, by one notch from B2 to B1. At the same time, the agency gave a B3 rating to the new €600 million issue of senior notes due 2024, the same rating that it confirmed for the €600 million senior notes due 2022.

On June 15, 2018, Moody's Investors Service confirmed the Corporate Family Rating (CFR) of Europcar Mobility Group at B1. The agency also reaffirmed the stable outlook associated with this rating.

EC Finance's €150 million contribution to the senior notes due for 2022 issued on June 15, 2018, did not result in any change in its B1 rating. The B3 rating of the two €600 million issue of senior notes due 2022 and 2024 was also confirmed.

On October 29, 2019, the agency placed the Corporate Family Rating (CFR) under review for downgrade following the profit warning on results and guidance issued by the Group when it published third quarter 2019 results.

3.2.3.1 Corporate Debt

A) 2024 SENIOR SUBORDINATED NOTES

On November 2, 2017, Europcar Drive D.A.C., a special-purpose vehicle under Irish law ("Europcar Drive"), issued Senior Subordinated Notes in the amount of €600 million due November 15, 2024 and paying 4.125% annual interest ("2024 Senior Subordinated Notes"), under the terms of an issue agreement (indenture) dated November 2, 2017 between Europcar Drive as issuer, and The Bank of New York Mellon, London Branch as trustee, transfer and principal paying agent, and security agent for the 2024 Senior Subordinated Notes, and The Bank of New York Mellon S.A./N.V., Luxembourg Branch as Luxembourg depositary and paying agent. The 2024 Senior Subordinated Notes were listed for trading on the Euro MTF Market of the Luxembourg stock exchange.

A portion (€400 million) of the proceeds of the 2024 Senior Subordinated Notes issuance was initially paid into an escrow account and was not released to the Company until the escrow was lifted concomitantly with the completion of the Company's acquisition of Goldcar on December 19, 2017. Another portion (€200 million) of the proceeds from the 2024 Senior Subordinated Notes issuance was allocated to debt refinancing, primarily of RCF drawdowns to fund the acquisition of Buchbinder.

On December 19, 2017, the Company took on all the obligations of Europcar Drive as issuer of the 2024 Senior Subordinated Notes.

GUARANTEES AND SECURITY

The 2024 Senior Subordinated Notes are secured by a second-priority security interest on ECI shares held by the Company, subordinated to the first-priority security interest on ECI shares held by the Company from which lenders under the RCF benefit, but have the same priority as the ECI shares held by the Company that are used as collateral for the 2022 Senior Subordinated Notes.

RANKING

The 2024 Senior Subordinated Notes are:

- equal in right of payment to all existing and future debts not subordinated to the payment of the 2024 Senior Subordinated Notes (including the Senior Revolving Credit Facility);
- secured by a second-priority security interest on ECI shares ranking junior to the first-priority security interest on such shares in favor of the lenders under the RCF;
- subordinated to the current and future indebtedness of the Company that is secured by the assets that do not secure the 2024 Senior Subordinated Notes (including indebtedness under the RCF and the SARF) to the extent of the value of the assets securing such indebtedness;
- effectively subordinated to all existing and future indebtedness and other liabilities (including trade payables) of each Company subsidiary that is not a guarantor of the 2024 Senior Subordinated Notes (including indebtedness under the RCF and the SARF); and
- rank senior in right of payment to all of the Company's existing and future debt, which are expressly subordinate to the right of payment of the 2024 Senior Subordinated Notes.

IN THE CASE OF OPTIONAL EARLY REDEMPTION

Before November 15, 2020, the Company may redeem early all or part of the 2024 Senior Subordinated Notes, upon not less than 10 nor more than 60 days' notice before the redemption date, at a redemption price of 100% (expressed as a percentage of par) increased by interest accrued and not paid and by additional amounts due, if applicable, on the redemption date through the payment of a make-whole premium.

Moreover, the Company may, prior to November 15, 2020, redeem early, with the net cash revenue from an equity securities issue, up to 40% of the principal amount of the 2024 Senior Subordinated Notes issued, upon not less than 10 nor more than 60 days' notice before the redemption date, at a redemption price of 104.125% of the principal amount increased by interest accrued and not paid at the redemption date, provided that:

(i) at least 60% of the principal amount of the 2024 Senior Subordinated Notes originally issued (excluding 2024 Senior Subordinated Notes held by the Company and its affiliates) remains outstanding immediately after any such redemption; and

(ii) the Company makes such redemption not more than 90 days after the issue of any such equity securities.

At any time after November 15, 2020, the Company may redeem all or part of the 2024 Senior Subordinated Notes upon not less than 10 nor more than 60 days' notice before the redemption date, at the following redemption prices (expressed as percentages of the principal amount thereof), plus accrued and unpaid interest at the redemption date, if redeemed during the 12-month period commencing on November 15 of the years set out below:

Fiscal year	Redemption Price
2020	102.063%
2021	101.031%
As from 2022	100.000%

Moreover, in the event of certain changes to tax regulations, the Company may redeem in full the 2026 Senior Subordinated Notes at a redemption price of 100% (expressed as percentages of the principal amount thereof) plus accrued and unpaid interest and any additional amounts due, if applicable, to the redemption date.

CHANGE OF CONTROL AND ASSET SALES

Upon the occurrence of certain cases of change in control, 2024 Senior Subordinated Note holders may require the Company to redeem all or part of their 2024 Senior Subordinated Notes at a redemption price equal to 101% (expressed as a percentage of par) plus accrued interest on the redemption date. The Company will be required to inform holders of the change of control and the terms of this optional repurchase within 30 days of the occurrence of a change of control event.

"Change of control" means (a) a related person or group of persons (within the meaning of Sections 13(d) and 14(d) of the U.S. Securities Exchange Act of 1934) other than Eurazeo or a member of the Eurazeo Group, obtaining direct or indirect control, in the sense of Sections 13d-3 and 13d-5 of the U.S. Securities Exchange Act of 1934, with more than 50% of the voting rights in the Company, (b) the sale in one or more transactions of nearly all assets of the Company and its subsidiaries restricted to any related person or group of persons, in the sense of Sections 13(d) and 14(d) of the U.S. Securities Exchange Act of 1934, other than Eurazeo or a member of the Eurazeo Group, (c) the adoption of a plan for the liquidation or winding up of the Company, or (d) ECI ceases to be a wholly-owned subsidiary of the Company.

COMMITMENTS (COVENANTS)

The indenture pertaining to the 2024 Senior Subordinated Notes contains covenants that will limit the ability of the Company and its subsidiaries to:

- incur additional indebtedness;
- make certain restricted payments;
- sell assets and use the revenue thereof;
- merge, make acquisitions or consolidate;
- engage in transactions with affiliates;
- create securities; and
- restrict the payment of dividends by subsidiaries.

These limitations are subject to important exceptions and qualifications. As of the date of this Universal Registration Document, all the Company's subsidiaries are restricted subsidiaries (as defined in the indenture pertaining to the 2024 Senior Subordinated Notes).

EVENTS OF DEFAULT

The indenture pertaining to the 2024 Senior Subordinated Notes contains the customary events of default, including nonpayment of the principal or interest of the 2024 Senior Subordinated Notes, certain failures with respect to other notes under the indenture pertaining to the 2024 Senior Subordinated Notes or contracts pertaining to the collateral, failure to pay certain debts or to execute certain orders, and the bankruptcy of the Company or of a significant subsidiary or of any collateral ceasing to exist (as such terms are defined in the indenture pertaining to the 2024 Senior Subordinated Notes). The occurrence of an event of default will permit or require the accelerated repayment of all of the 2024 Senior Subordinated Notes.

B) 2026 SENIOR SUBORDINATED NOTES

On April 24, 2019, Europcar Mobility Drive D.A.C., a special-purpose vehicle under Irish law ("Europcar Mobility Drive"), issued Senior Notes in the amount of €450 million due April 30, 2026 and paying 4.000% annual interest ("2026 Senior Subordinated Notes"), under the terms of an issue agreement (indenture) dated April 24, 2019 between Europcar Mobility Drive as issuer, and The Bank of New York Mellon, London Branch as trustee, transfer and principal paying agent, and security agent for the 2026 Senior Subordinated Notes, and The Bank of New York Mellon S.A./N.V., Luxembourg Branch as Luxembourg depositary and paying agent. The 2026 Senior Subordinated Notes were listed for trading on the Euro MTF Market of the Luxembourg stock exchange.

Proceeds from the issuance of 2026 Senior Subordinated Notes were initially placed in an escrow account and were only released to the Company when the escrow was lifted on June 15, 2019 concomitantly with an addendum relating to the RCF.

On June 15, 2019 the Company took on all the obligations of Europcar Mobility Drive as issuer of the 2026 Senior Subordinated Notes and gross proceeds from the issuance of 2026 Senior Subordinated Notes were assigned to the Company, with drawings made on the RCF and cash: i) to the early redemption of 2022 Senior Subordinated Notes; and ii) to the payment of estimated costs and expenses relating to the issuance of 2026 Senior Subordinated Notes.

GUARANTEES AND SECURITY

he 2026 Senior Subordinated Notes are secured by a second-priority security interest on ECI shares held by the Company, subordinated to the first-priority security interest on ECI shares held by the Company from which lenders under the RCF benefit, but have the same priority as the ECI shares held by the Company that are used as collateral for the 2026 Senior Subordinated Notes.

RANKING

The 2026 Senior Subordinated Notes are:

- equal in right of payment to all existing and future debts not subordinated to the payment of the 2026 Senior Subordinated Notes (including the RCF);
- secured by a second-priority security interest on ECI shares ranking junior to the first-priority security interest on such shares in favor of the lenders under the RCF;
- subordinated to the current and future indebtedness of the Company that is secured by the assets that do not secure the 2026 Senior Subordinated Notes (including indebtedness under the RCF and the SARF) to the extent of the value of the assets securing such indebtedness;
- effectively subordinated to all existing and future indebtedness and other liabilities (including trade payables) of each Company subsidiary that is not a guarantor of the 2026 Senior Subordinated Notes (including indebtedness under the RCF and the SARF); and
- rank senior in right of payment to all of the Company's existing and future debt, which are expressly subordinate to the right of payment of the 2026 Senior Subordinated Notes.

IN THE CASE OF OPTIONAL EARLY REDEMPTION

Before April 30, 2022, the Company may redeem early all or part of the 2026 Senior Subordinated Notes, upon not less than 10 nor more than 60 days' notice before the redemption date, at a redemption price of 100% (expressed as a percentage of par) increased by interest accrued and not paid and by additional amounts due, if applicable, on the redemption date through the payment of a make-whole premium.

Moreover, the Company may, prior to April 30, 2022, redeem early, with the net cash revenue from an equity securities issue, up to 40% of the principal amount of the 2026 Senior Subordinated Notes issued, upon not less than 10 nor more than 60 days' notice before the redemption date, at a redemption price of 104.000% of the principal amount increased by interest accrued and not paid at the redemption date, provided that:

(i) at least 60% of the principal amount of the 2026 Senior Subordinated Notes originally issued (excluding 2026 Senior Subordinated Notes held by the Company and its affiliates) remains outstanding immediately after any such redemption; and

(ii) the Company makes such redemption not more than 90 days after the issue of any such equity securities.

At any time after April 30, 2022, the Company may redeem all or part of the 2026 Senior Subordinated Notes upon not less than 10 nor more than 60 days' notice before the redemption date, at the following redemption prices (expressed as percentages of the principal amount thereof), plus accrued and unpaid interest at the redemption date, if redeemed during the 12-month period commencing on April 30 of the years set out below:

Fiscal year	Redemption Price
2022	102.000%
2023	101.000%
As from 2024	100.000%

Moreover, in the event of certain changes to tax regulations, the Company may redeem in full the 2026 Senior Subordinated Notes at a redemption price of 100% (expressed as percentages of the principal amount thereof) plus accrued and unpaid interest and any additional amounts due, if applicable, to the redemption date.

CHANGE OF CONTROL AND ASSET SALES

Upon the occurrence of certain cases of change in control, 2026 Senior Subordinated Note holders may require the Company to redeem all or part of their 2026 Senior Subordinated Notes at a redemption price equal to 101% (expressed as a percentage of par) plus accrued interest on the redemption date. The Company will be required to inform holders of the change of control and the terms of this optional repurchase within 30 days of the occurrence of a change of control event.

"Change of control" is understood to mean (a) a related person or group of persons (in the sense of Sections 13(d) and 14(d) of the U.S. Securities Exchange Act of 1934) other than Eurazeo or a member of the Eurazeo Group, obtaining direct or indirect control, in the sense of Sections 13d-3 and 13d-5 of the U.S. Securities Exchange Act of 1934, with more than 50% of the voting rights in the Company, (b) the sale in one or more transactions of nearly all assets of the Company and its subsidiaries restricted to any related person or group of persons, in the sense of Sections 13(d) and 14(d) of the U.S. Securities Exchange Act of 1934, other than Eurazeo or a member of the Eurazeo Group, (c) the adoption of a plan for the liquidation or winding up of the Company, or (d) ECI ceases to be a wholly owned subsidiary of the Company.

COMMITMENTS (COVENANTS)

The indenture pertaining to the 2026 Senior Subordinated Notes contains covenants that will limit the ability of the Company and its subsidiaries to:

- incur additional indebtedness;
- make certain restricted payments;
- sell assets and use the revenue thereof;
- merge, make acquisitions or consolidate;
- engage in transactions with affiliates;
- create securities; and
- restrict the payment of dividends by subsidiaries.

These limitations are subject to important exceptions and qualifications. As of the date of this Universal Registration Document, all the Company's subsidiaries are restricted subsidiaries (as defined in the indenture pertaining to the 2026 Senior Subordinated Notes).

EVENTS OF DEFAULT

The indenture pertaining to the 2026 Senior Subordinated Notes contains the customary events of default, including nonpayment of the principal or interest of the 2026 Senior Subordinated Notes, certain failures with respect to other notes under the indenture pertaining to the 2026 Senior Subordinated Notes or contracts pertaining to the collateral, failure to pay certain debts or to execute certain orders, and the bankruptcy of the Company or of a significant subsidiary or of any collateral ceasing to exist (as such terms are defined in the indenture pertaining to the 2026 Senior Subordinated Notes). The occurrence of an event of default will permit or require the accelerated repayment of all of the 2026 Senior Subordinated Notes.

C) SENIOR REVOLVING CREDIT FACILITY

The Senior Revolving Credit Facility ("RCF" or "RCF Agreement") was signed on July 13, 2017 then changed by a first addendum dated December 21, 2018 and then by a second addendum dated May 29, 2019 with Banco Bilbao Vizcaya Argentaria S.A. Paris Branch, Bank of America Merrill Lynch International Limited, Banque Européenne du Crédit Mutuel, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Crédit du Nord, Crédit Industriel et Commercial, Deutsche Bank AG, London Branch, Goldman Sachs International Bank, HSBC France, ING Bank N.V., French Branch, KBC Bank N.V., French Branch, Lloyds Bank plc, Natixis, The Royal Bank of Scotland Plc, and Société Générale (the "RCF Lenders").

The RCF borrowers are Europcar Mobility Group, ECI, Europcar Holding S.A.S, Europcar Autovermietung GmbH, Europcar France S.A.S., Europcar International S.A.S.U. & Co OHG, and Europcar IB, S.A.U. (the "RCF Borrowers").

The primary purpose of the RCF is to fund the Group's working capital and general requirements (including authorized acquisitions).

The RCF consists of a revolving credit facility to provide advances ("Advances under the Senior Revolving Credit Facility" or "RCF Advances") or to issue letters of credit ("RCF Letters of Credit") denominated, in both cases, in euros, pounds sterling, US dollars, Australian dollars or in any other currency agreed with the RCF lenders, for a maximum outstanding amount of €650 million at any time and made available, as applicable, under certain conditions, to Europcar Mobility Group, ECI and certain Group operating subsidiaries.

The aggregate amount of the RCF Letters of Credit issued shall not exceed €150 million. RCF Letters of Credit must expire no later than 30 calendar days before the RCF expires. The term of RCF Letters of Credit is 12 months or less or, for RCF Letters of Credit whose aggregate amounts do not exceed €50 million, 36 months or less.

Subject to terms and conditions, the Company may apply to one or more RCF Lenders to make additional credit available provided the resulting total principal does not exceed €150 million.

The RCF was amended on December 21, 2018 in order to provide for a new usage by means of bridging loan advances ("Bridging Loan Facilities in respect of the Renewable Senior Credit Facility" or "RCF Bridging Loan Facilities") denominated in euros for a principal capped at €150 million at any time and which are made available on a case-by-case basis and on certain conditions that are favorable for Europcar Mobility Group, ECI and certain Group operating subsidiaries.

GUARANTEES

Collateral have been provided by the Company, ECI, Europcar Holding S.A.S., Europcar Autovermietung GmbH, Europcar France S.A.S., Europcar International S.A.S.U. & Co. OHG, Europcar IB, S.A.U., Europcar Italia S.p.A., and Europcar UK Limited. Other Group subsidiaries may also, under certain conditions, guarantee the RCF in future.

INTEREST

The interest rates per annum applicable to RCF Advances are based on Euribor (or Libor or BBSW for drawings in currencies other than euros) plus an applicable borrowing margin, specifying that Euribor, Libor, or BBSW will be deemed equal to zero in the event of a negative interest rate.

The RCF Bridging Loan Facility bears interest at EONIA plus the applicable margin, it being specified that EURIBOR, LIBOR and the BBSW will be deemed to be equal to zero if it is in fact negative.

The initial margin is 2.25% for an RCF Advance or an RCF Bridging Advance. The margin may be increased to 2.50% if the leverage ratio (i.e., if the ratio of Total Net Debt (as defined in the RCF Agreement) to Corporate EBITDA (as defined in the RCF Agreement)) over the 12 months preceding the end of the accounting quarter is greater or equal to 2.0: 1.0, and if no default has occurred or is occurring under the RCF Agreement. The margin may be decreased to 2.25% if the leverage ratio over the 12-month period preceding the end of the accounting quarter is less than 2.0: 1.0, and if no default has occurred or is occurring under the RCF Agreement.

MATURITY AND REPAYMENTS OF RCF ADVANCES

The Senior Revolving Credit Facility matures on June 9, 2022 ("RCF Maturity Date"). The Company, since the second addendum to the RCF Agreement was signed on May 26, 2019, may request of RCF Lenders within a period of between 45 calendar days at the latest and 90 calendar days at the earliest before the date of the first anniversary of the second addendum dated May 29, 2019 to the RCF Agreement, an extension to the RCF Maturity Date until June 9, 2023 and then within a period of between 45 calendar days at the latest and 90 calendar days at the earliest before the date of the second anniversary of the second addendum dated May 29, 2019 to the RCF Agreement, an extension to the RCF Maturity date (as extended where applicable following the exercise of the first extension option) until June 9, 2024. The decision by RCF Lenders whether or not to accept an extension to the RCF Maturity Date for each of the extension options is discretionary.

Each RCF Advance or RCF Bridge Advance must be repaid on the last day of the interest period relating thereto but may be repaid by way of a new RCF Advance. Each RCF Advance or RCF Bridge Advance repaid (except pursuant to a mandatory early redemption) will thereafter be available for redrawing until one month prior to RCF Maturity, as extended where applicable under the extension options. All RCF Advances or RCF Bridge Advances must be repaid at the RCF Maturity, as extended where applicable under the extension options.

MANDATORY EARLY REDEMPTION

Subject to certain exceptions, the RCF will be automatically subject to mandatory early redemption and cancellation in full in the event of a "change of control" or the sale of all or of a substantial part of the Group's assets.

A "change in control" is deemed to have taken place if any person or group of persons acting in concert (under Article L. 233-10 of the French Commercial Code), other than Eurazeo or a member of the Eurazeo Group, obtains direct or indirect control of the capital or the voting rights of the Company.

CANCELLATION

Undrawn amounts under the RCF may be canceled by the Company at any time in whole or in part on five business days' notice on condition that the canceled amount must be for a minimum amount of €10 million.

SECURITY INTERESTS

The RCF is secured, subject to certain applicable limitations, by first-priority security interests on the shares of ECI and of certain direct or indirect subsidiaries of ECI (Europcar Holding S.A.S., Europcar France S.A.S., Europcar UK Limited, Europcar Autovermietung GmbH, Europcar Italia S.p.A., Europcar IB S.A.U. and Europcar International S.A.S.U. & Co. OHG).

FEES AND COMMISSIONS

The Company must pay the following fees: (i) fees on the unused revolving loan commitments of the lenders, (ii) letters of credit participation fees on the outstanding amount of each Letter of Credit, (iii) the fronting fees due to the issuing bank for each Letter of Credit, and (iv) other customary fees of the RCF (including coordination fees and agents' fees).

RANKING/PRIORITY

The RCF ranks senior to all other subordinated debt of each RCF Borrower.

The RCF ranks pari passu with hedging transactions in right of payment and in connection to its security (except the above-mentioned first-priority security interest on ECI shares which does not secure hedging transactions).

RCF Lenders' receivables rank pari passu at least equal to all other receivables of unsecured creditors.

FINANCIAL COMMITMENTS (COVENANTS)

The RCF specifies that the Group must maintain a ratio of cash flow to total debt service of no less than 1.10: 1.

Total debt service shall be defined as the aggregate of the interest and associated fees paid during any given 12 months period plus repayment of financial liabilities, the latter being subject to certain limitations.

COMMITMENTS (COVENANTS)

Subject to certain exceptions related to materiality tests, grace periods and carve-outs, the Senior Revolving Credit Facility specifies certain covenants, namely: (i) a negative security interest in respect of Group assets, (ii) a limitation on financial indebtedness, (iii) restrictions on asset disposals, and (iv) limitations on mergers, acquisitions and investments.

EVENTS OF DEFAULT

The Senior Revolving Credit Facility contains, subject to exceptions related to materiality tests, grace periods and carve-outs, a certain number of customary events of default including the following: (i) failure to pay the principal amount, interest, fees and other amounts, (ii) noncompliance with certain commitments and other obligations, (iii) substantial inaccuracy in representations and warranties, (iv) cross defaults or defaults which are accelerated with another significant debt, (v) certain cases of insolvency, (vi) the actual or presumed invalidity of any collateral or subordination clause under the terms of the Intercreditor Agreement, (vii) a significant audit qualification, and (viii) the occurrence of a significant event adversely impacting (a) the financial position of Europcar Mobility Group or the Group and a debtor's ability to meet its payment obligations or (b) the validity or enforceability of pledges, under certain conditions.

GOVERNING LAW

The Senior Revolving Credit Facility is governed by French law.

D) NEU CP PROGRAM

On February 11, 2019, Europcar Mobility Group launched a NEU CP program ("Negotiable EUropean Commercial Paper").

This program has a ceiling of €450 million.

The program's outstanding amount issued plus outstanding RCF drawdowns cannot exceed a total commitment of €650 million, in accordance with RCF documentation.

Each issue covers a period of less than one year, for an amount greater than or equal to €200,000.00. Their remuneration is not restricted and may therefore be based on a fixed rate, a variable or floating rate or on a structured remuneration.

Financial records for the program have been filed with the Banque de France and is available on their website.

E) UNSECURED SUBORDINATED LOAN

On December 27, 2019 the Company contracted with Crédit Suisse International as lender, agent and calculation agent, a loan agreement under which Crédit Suisse International made available to the Company a term loan of €50 million. The term loan is backed by a CDS (credit default swap) carried out by Crédit Suisse International as the borrower.

INTEREST

The term loan bears annual interest at EONIA plus the applicable margin, it being specified that EURIBOR will be deemed to be equal to zero if it is in fact negative. The margin corresponds to the sum of the costs of CDS for the lender and the costs of financing and capital borne by the lender in relation to the term loan. The Company must pay in respect of the last interest period for the term loan additional interest which corresponds to contractual interest due over a period (of 10 working days maximum) running between the term loan redemption date (inclusive) and the next CDS (credit default swap) maturity date (exclusive).

MATURITY AND REDEMPTION DATE FOR TERM LOAN

The term loan shall mature 10 working days before the CDS maturity date to take place in December 2020.

MANDATORY EARLY REDEMPTION

Subject to certain exceptions, the term loan will be automatically subject to mandatory early redemption and cancellation in full in the event of a "change of control" or the sale of all or of a substantial part of the Group's assets.

A "change in control" is deemed to have taken place if any person or group of persons acting in concert (under Article L. 233-10 of the French Commercial Code), other than Eurazeo or a member of the Eurazeo Group, obtains direct or indirect control of the capital or the voting rights of the Company.

The Company may also be required to repay the term loan in the event of certain hedging disruptions relating to the CDS.

RANKING/PRIORITY

Term loan lenders' receivables rank pari passu at least equal to all other receivables of unsecured creditors.

The term loan is not secured.

GOVERNING LAW

The term loan agreement is governed by French law.

3.2.3.2 Debt related to fleet financing

A) SENIOR ASSET REVOLVING FACILITY (SARF)

The SARF was entered into between Crédit Agricole Corporate and Investment Bank, as "Lending Bank" and Securitifleet Holding as borrower.

The SARF was initially entered into on July 30, 2010 and amended on August 26, 2010, November 4, 2010, January 11, 2011 and April 5, 2012. The SARF was further amended on March 4, 2014 in certain respects, principally to (i) add two additional banks to the facility, (ii) reduce the margin of Senior Notes issued by the FCT Issuer under the facility from 2.70% to 2.2% (before the amortization period) and from 3.75% to 2.75% (after the amortization period), (iii) reduce the maximum amount of senior notes that may be issued by the FCT Issuer from €1.1 billion to €1.0 billion, (iv) provide the borrower with flexibility to request weekly advance and repayment dates rather than monthly settlement dates only, and (v) extend the maturity of the SARF from July 2014 to July 2017. The Senior Asset Revolving Facility provides a committed facility of €1.0 billion to Securitifleet Holding. Drawings are made available to Securitifleet Holding (the "SARF Borrower") for the sole purpose of financing rental fleet acquisition and maintenance in France, Italy, Germany and Spain through the Securitifleet companies.

The additional amendments to the SARF were signed on May 12, 2015 and became effective on June 17, 2015 (the "2015 Amendments"). The 2015 Amendments (i) reduced the applicable margin with respect to the FCT Senior Notes from 2.2% to 1.7% (before the amortization period) and from 2.75% to 2.25% (after the amortization period), (ii) reduced the rate of non-use from 1% to 0.75% in the potential event where the rate of use would be less than or equal to 50% and from 0.75% to 0.5% in the potential event where the rate of use would be greater than 50%, (iii) extended the maturity of the SARF to the settlement date following January 2019, (iv) increased the amount of the Senior Notes which could be issued by the FCT Issuer under the SARF from €1.0 billion to €1.1 billion, and (v) enabled the participation of two new banks, Lloyds Bank and HSBC France (or, if applicable, Regency Assets Limited, its sponsored conduit supplying asset-backed commercial paper), the latter replacing Barclays Bank plc. ECI and the banks also agreed to (i) allow the sub-leasing of vehicles by a local subsidiary (namely Europcar France S.A.S., Europcar Autovermietung GmbH, Europcar Italia S.p.A. or Europcar IB S.A.) to another local subsidiary, except for Europcar Italia S.p.A., under intra-group master operating sub-lease agreements, and (ii) treat such sub-leased vehicles as eligible vehicles for the amended SARF.

New amendments to the SARF were signed on September 14, 2016 and entered into force on September 17, 2016 (the "2016 Amendments"). The 2016 Amendments: (i) reduced the margin and the margin applicable to the FCT Senior Notes from 1.7% to 1.5% (before the amortization period) and from 2.25% to 2.05% (after the amortization period); (ii) extended the maturity of the SARF to the payment date following January 2022; and (iii) increased the amount of the senior notes that may be issued by the FCT Issuer under the SARF from €1.1 billion to €1.3 billion.

The following additional amendments to the SARF were also signed:

(i) on February 9, 2017 to enable the securitization program to be made compliant with the new methodology published by the rating agency Standard & Poor's relating to sovereign risk (the "Rating above the sovereign" methodology) and thus to maintain its single A rating. These amendments stipulate the inclusion of new concentration limits on the vehicle fleets in Spain and in Italy financed through the SARF;

(ii) on August 31, 2017, to adjust the limits on manufacturer concentration limits to take into account the acquisition of Opel by PSA Group;

(iii) on May 14, 2018, to allow the financing of the Goldcar fleet. The line thus increased from €1.3 billion to €1.7 billion and new special-purpose entities, dedicated to the financing of the Goldcar fleet, the Goldfleet companies, were created. The Group took advantage of this opportunity to renegotiate the margin from 1.50% to 1.30%, extend the maturity of the line from January 2020 to January 2022 and relax the concentration limits on the rental fleet in Spain and Italy.

According to an FCT Subscription agreement, the Lending Bank assigned its claims arising under the SARF, together with all security and ancillary rights related thereto, to the FCT Issuer which in return issued (i) "FCT Senior Notes" to be subscribed by Crédit Agricole Corporate and Investment Bank (or, as the case may be, LMA, its sponsored multi-seller asset-backed commercial paper conduit), Société Générale, Société Générale Capital Market Finance, Deutsche Bank AG, London Branch, Natixis, (or, as the case may be, Magenta, its sponsored multi-seller asset-backed commercial paper conduit); BNP Paribas (or, as the case may be, Matchpoint, its sponsored multi-seller asset-backed commercial paper conduit), HSBC France (or, if applicable, Regency Assets Limited, its sponsored asset-backed commercial paper conduit), Lloyds Bank plc, Bank of America Merrill Lynch International Limited, ING Bank N.V and any other entity which may subscribe for or acquire FCT Senior Notes as senior subscriber(s) in an aggregate amount of €1.7 billion (after the 2018 Amendments), and (ii) second priority FCT to be subscribed to from time to time by ECI "FCT Junior Notes".

FINAL MATURITY DATE

The SARF will be terminated on the earlier of the following dates: (i) the settlement date in January 2022, (ii) the start of a Non-Enforcement Amortization Period (namely, the date on which a Level 1 Event of Default is declared (as defined below)), (iii) the start of an Enforcement Amortization Period (namely, the date on which a Level 2 Event of Default is declared (as defined below)), and (iv) the date on which an RCF is repaid (unless all or part of such facility is refinanced in amounts equal to or greater than the existing amount of such facility), the first of such dates being the "SARF Termination Date". The SARF's final maturity date shall correspond to the date falling six months after SARF Termination Date (the "SARF Final Maturity Date").

SARF ADVANCES, REVOLVING PERIOD AND AMORTIZATION PERIOD

During the period between March 4, 2014 and the SARF Termination Date (the "SARF Revolving Period"), advances ("SARF Advances") are made to Securitifleet Holding subject to the terms and conditions set out in the SARF as amended on March 4, 2014. From the Senior asset Revolving Facility Termination Date and until the SARF Final Maturity Date (the "SARF Amortization Period"), Securitifleet Holding is required to apply all available amounts towards the amortization of the outstanding SARF Advances in accordance with the priority of payments set out in the SF Intercreditor Agreement (as described below). All SARF Advances will be fully due and payable on the SARF Final Maturity Date.

SARF ADVANCE RATE

The SARF Advance rate (the "SARF Advance Rate") is determined in light of the aggregate "Borrower Asset Value" (as defined below in Section "Borrower Asset Value") of all Securitifleet and Goldfleet companies, the credit enhancement mechanics confirmed with Standard & Poor's, and the concentration limits applicable to carmakers and vehicles as defined in the SARF, the master operating lease agreements and the terms and conditions of the FCT Junior Notes.

In particular, the SARF Advance Rate is calculated by reference to the "Senior Asset Funding Limit" which is sized principally on the basis of (A) the aggregate Borrower Asset Value of all Securitifleet and Goldfleet Companies (subject to certain limitations) as the same is reduced by (B) the applicable "Credit Enhancement Amount". The Credit Enhancement Amount is determined by aggregating: (i) the amount determined by the application of the rate determined using Standard & Poor's Credit Enhancement Matrix applicable to the corresponding Credit Enhancement Asset, and (ii) the amount exceeding the concentration limits applicable to carmakers and vehicles defined in the SARF.

Borrower asset value

Drawing under the Senior Asset Revolving Facility by Securitifleet Holding will depend on the aggregate of Borrower Asset Values of all the Securitifleet and Goldfleet Companies.

In relation to any Securitifleet or Goldfleet Company acting as borrower under the Securitifleet On-Loan Agreements or Goldfleet On-Loan Agreements (as defined below), the Borrower Asset Value is calculated monthly as the aggregate of the following items:

- the rental fleet residual value – which comprises the aggregate residual value of the rental fleet plus capitalized costs for any purchased vehicles for which registration is pending, less any aggregate provisions for badly damaged, stolen or converted vehicles – of the rental fleet owned by the relevant Securitifleet Company;
- the amount of the vehicle provider receivables – which comprise the receivables owed to such Securitifleet or Goldfleet Company by any car dealer or manufacturer pursuant to the relevant Securitifleet or Goldfleet Company's disposal of any vehicle under any buy-back agreement and payable to the relevant Securitifleet or Goldfleet Company;
- the amount of VAT receivables, which comprise any VAT repayment receivables owed or to be owed by a taxation authority to the relevant Securitifleet or Goldfleet Company that are payable to such Securitifleet or Goldfleet Company;

  minus

- the aggregate amount of any debt outstanding and due by the relevant Securitifleet or Goldfleet Company to vehicle providers (excluding any amount in respect of VAT related thereto) to the extent the maturity date of such payables falls after the second succeeding SARF settlement date (as defined below);
- the aggregate amount of the capitalized costs related to each rental fleet (excluding the rental fleet of Securitifleet GmbH) delivered and accounted for by a Securitifleet or Goldfleet Company (excluding Securitifleet GmbH) but for which the corresponding invoice has not yet been received or booked; and

- the aggregate amount of all VAT payments owed by the relevant Securitifleet or Goldfleet Company to a taxation authority in its relevant jurisdiction at such time (excluding for the avoidance of doubt such VAT payments due by Europcar Autovermietung GmbH in relation to the resale by Securitifleet GmbH of its vehicles).

MARGIN

The interest rate applicable to the FCT Senior Notes is equal to the sum of the Euribor rate applicable to the relevant interest period plus 1.30% (in each case before the SARF Amortization Period) or 1.90% (in each case during the SARF Amortization Period). In the case of breach of certain obligations (subject to reservations pertaining to their importance, the grace period and other exceptions) with respect to a rental fleet availability service agreement or a fee agreement concerning the provision of legal services in Germany (a "DSP Material Breach"), the margin applicable to the FCT Senior Notes (for the interest periods terminating before the SARF Amortization Period) will be automatically and immediately 2.05% from the date of the DSP Material Breach until the DSP Material Breach is remedied or waived.

The interest rate applicable to the FCT Junior Notes is equal to the sum of the Euribor rate applicable to the relevant interest period plus 2.25%.

FLEET SERVICING

All Europcar operating companies in France, Germany, Spain and Italy (each an "Operating Company"), pursuant to servicing agreement (each a "Servicing Agreement"), acts as a services provider (each, in such capacity, a "Services Provider") in respect of the rental fleet (and other assets) owned by the related Securitifleet or Goldfleet Company.

Implementation pursuant to the terms of a rental fleet disposal services agreement, and of an engagement letter and fee agreement regarding the provision of legal services in Germany, a disposition services provider provides certain disposition services in relation to the recovery of the fleet under certain conditions.

ECI PERFORMANCE GUARANTEE

ECI granted in favor of each Securitifleet and Goldfleet company certain performance guarantees (together the "ECI Performance Guarantee") pursuant to which it guarantees as co-surety the full payment when due of all amounts (including, without limitation, rental payments under the master operating leases, interest, expenses, fees, costs, indemnities and other amounts due as a result of the non-performance or incomplete performance by the relevant Operating Company of any of its obligations) due to each Securitifleet and Goldfleet company by the relevant Operating Company with respect to certain of their respective payment obligations, in particular under the master operating lease agreements and the management services agreements, up to an amount equal to the available cash. The benefit of the ECI Performance Guarantee was assigned in favor of the Senior Facility Lending Bank acting as the fronting bank under the SARF (but not in favor of the trustee for the 2022 Senior Subordinated Notes, 2024 Senior Subordinated Notes, or the holders of the EC Finance Notes, directly or indirectly).

In the event of default under the Senior asset Revolving Facility, the SARF borrower can be directed by the facility instructing party to call the ECI Performance Guarantee and exercise any right it is entitled to exercise in accordance with the terms of the ECI Performance Guarantee.

SECURITY INTERESTS

Securitifleet Holding's obligations under the SARF are secured by the Securitifleet and Goldfleet Securities described below under Section 3.2.3.2 "Debt Related to Fleet Financing" in section (B) "Securitifleet and Goldfleet Securities" which also indirectly benefit holders of EC Finance Notes. In addition, Securitifleet Holding's obligations under the SARF are guaranteed by the rental fleet and the claims on vehicle suppliers pursuant to buyback commitments by manufacturers in Italy and Catalonia, as well as bank account balances of Securitifleet Italy and Goldfleet Italy, the shares held by Europcar Italy in Securitifleet Italy and the shares held by Goldcar Italy in Goldfleet Italy. The 2022 Senior Subordinated Notes holders and 2024 Subordinated Notes holders do not benefit, either directly or indirectly, from these additional Securitifleet and Goldfleet securities.

FEES

The SARF Borrower pays fees on the unused underwriting commitments of holders of FCT Senior Notes, documentary credit fees, and other customary fees in respect of the SARF (including arrangement fees, ticking fees and agency fees).

RANKING/PRIORITY

The Senior asset Revolving Facility ranks senior to the Securitifleet Loan both in interest and principal and any other subordinated indebtedness of each SARF Borrower. See "SF Intercreditor Agreement".

COMMITMENTS (COVENANTS)

The commitments (covenants) applied to Securitifleet Holding are divided into Level 1 Undertakings and Level 2 Undertakings. Any breach of a Level 1 Undertaking, which is not resolved within its applicable grace period (if relevant), shall result in a Level 1 Event of Default, and correspondingly any breach of a Level 2 Undertaking, which is not resolved within its applicable grace period (if relevant), shall result in a Level 2 Event of Default.

Level 1 Undertakings relate to delivery of financial statements, compliance with accounting policies, notification of Level 1 defaults and maintaining bank accounts with suitably rated banks. The Level 2 Undertakings include in particular (i) information obligations (including notification of a Level 2 Event of Default), (ii) the maintenance of the necessary authorizations, licenses and consents, (iii) compliance with laws and regulations, in particular tax laws, (iv) a negative pledge regarding the assets or business of Securitifleet Holding, (v) restrictions on the granting of loans by Securitifleet Holding, (vi) a limitation on the financial indebtedness of Securitifleet Holding, (vii) a limitation on the granting of guarantees by Securitifleet Holding, (viii) restrictions on the rights of Securitifleet Holding as shareholder of certain Securitifleet and Goldfleet companies, and (ix) the maintenance of bankruptcy-remoteness criteria including restrictions on mergers.

The SARF also provides for two levels of representations and warranties. The Borrower Level 1 Representations and Warranties relate to the accuracy of historical financial statements, ranking, no conflicts, and no events of default and no withholding. The Borrower Level 2 Representations and Warranties relate to other representations and warranties.

EVENTS OF DEFAULT

There are two levels of event of default under the Senior asset Revolving Facility Agreement:

(i) a "Level 1 Event of Default" which, subject to the agreed exceptions, materiality tests, grace periods and waivers, consists of: (i) misrepresentation made under the Level 1 Representations and Warranties, (ii) breach of any Level 1 Undertaking, and (ii) the replacement of the Lending Bank without a replacement assignee bank being appointed; and

(ii) a "Level 2 Event of default" which, subject to any agreed exceptions, materiality tests, grace periods and carve-outs, consists of: (i) non-payment of amounts due under the SARF, (ii) misrepresentations made under Borrower Level 2 Representations and Warranties, (iii) the violation of any Level 2 Undertaking, (iv) the occurrence of an insolvency event of Securitifleet Holding, (v) the enforcement of security or security ceasing to be valid, binding and enforceable or losing the benefit of a priority ranking, (vi) the occurrence of a material adverse change affecting Securitifleet Holding, (vii) any audit qualification by the Statutory Auditors concerning Securitifleet Holding's financial statements to the extent it materially adversely changes the current or future value of Securitifleet Holding's assets, (viii) breaches relating to Securitifleet Holding's obligations under Securitifleet shareholder arrangements and to compliance with the recommendations made by the Senior Facility Lending Bank or the FCT Issuer as part of its consultation procedure, (ix) misrepresentations and/or breaches by Securitifleet Holding in relation to any security or encumbrance, (x) acceleration under the Senior Revolving Credit Facility of the outstanding EC Finance Notes, 2022 Senior Subordinated Notes or 2024 Subordinated Notes, and (xi) termination or breach of any material operating license.

The occurrence of a Level 1 Event of Default will commence a "Non-Enforcement Amortization Period" during which, in particular:

(i) any outstanding advance will become a term advance repayable on a monthly basis during the amortization period via all cash collections received;

(ii) each Securitifleet and Goldfleet company will be prohibited from ordering new vehicles from vehicle providers and granting new advances under the SARF; and

(iii) each Operating Company, acting as lessee under the relevant master operating lease agreement and an intra-group sub-lease agreement, due to the prohibition that applies to Securitifleet and Goldfleet Companies, will be prohibited from:

- extending the duration of any base operating lease or sub-lease in force on the amortization period commencement date; and
- entering into any new base operating lease or sub-lease with the relevant Securitifleet Company, Goldfleet Company or Operating Company.

The occurrence of a Level 2 Event of Default will trigger an "Enforcement Amortization Period" during which (i) the relevant instructing party will be entitled to accelerate all advances granted to Securitifleet Holding in accordance with the provisions of the SF Intercreditor Agreement, and (ii) all securities granted to the FCT Issuer will be enforceable in accordance with the provisions of the SF Intercreditor Agreement.

GOVERNING LAW

The Senior asset Revolving Facility Agreement is governed by French law.

B) SECURITIFLEET SECURITIES AND GOLDFLEET SECURITIES

The undertakings of Securitifleet Holding under the SARF together with its obligations to repay the revenue of the EC Finance Notes to EC Finance Plc (as defined below) under the borrowing agreement (the "Securitifleet Loan") are secured directly and indirectly by:

- a first priority security interest on Securitifleet Holding shares held by ECI and Sanne Capital Market Capital Market Ireland Ltd;
- a first priority security interest on the shares in each of the Securitifleet and Goldfleet Companies (other than shares held by Europcar Italy in Securitifleet Italy and other than shares held by Goldcar Italy in Goldfleet Italy);
- a first priority security interest on receivables held by Securitifleet Holding in respect of each of the Securitifleet and Goldfleet companies (other than in respect of Securitifleet Italy and Goldfleet Italy);
- a first priority security interest on bank account balances of Securitifleet Holding and each Securitifleet Company and Goldfleet Company;
- a first priority security interest on certain receivables (including under buy-back agreements from carmakers) of each of the Securitifleet and Goldfleet Companies (other than Securitifleet Italy and Goldfleet Italy), with certain exceptions in Spain; and
- a first priority security interest on certain assets (including bank account balances and the rental fleet) of each Securitifleet and Goldfleet Company from time to time (other than Securitifleet Italy and Goldfleet Italy), with certain exceptions in Spain.

All above-mentioned assets subject to security interests are collectively referred to herein as the "Securitifleet Securities" and "Goldfleet Securities". The Securitifleet and Goldfleet

Securities secure the Senior asset Revolving Facility and the Securitifleet Loan on a shared pari passu basis and enforcement revenue from such collateral will be paid first to the senior lenders under the Senior asset Revolving Facility pursuant to the amortization priority of payments in the SF Intercreditor Agreement. Such senior lenders, in addition, benefit from direct security over the assets of Securitifleet Italy and Goldfleet Italy. The holders of the EC Finance Notes indirectly benefit only from a negative pledge in respect of the assets of Securitifleet Italy and Goldfleet Italy.

The security agent for the EC Finance Notes acts as agent for the trustee for the EC Finance Notes and the holders of such EC Finance Notes in respect of the EC Finance Notes Securities (as defined below). A common security agent acts as the agent for the SARF creditors and the EC Finance Notes trustee and as the security agent for the EC Finance Notes and the holders of EC Finance Notes in respect of the shared Securitifleet Securities and in accordance with the provisions of the SF Intercreditor Agreement.

C) SECURITIFLEET ON-LOAN AGREEMENTS

Securitifleet Holding acts as the financing entity for the rental fleet purchasing and leasing activities of the Securitifleet Companies. Securitifleet Holding has used the revenue from funding under the Securitifleet Loan related to the EC Finance Notes, together with drawings under the SARF, to on-lend, directly or indirectly, as required by certain local and national jurisdictional limitations, said amounts to the Securitifleet Companies (each such transaction a "Securitifleet Advance") under the "Securitifleet On-Loan Agreements".

Securitifleet Holding has entered into revolving credit facilities with Securitifleet Spain, Securitifleet Italy, Securitifleet France and Securitifleet Germany pursuant to which Securitifleet Holding has advanced funds to them from time to time.

Except as otherwise required by law, all payments under the Securitifleet Advances are made without deductions or withholding for, or on account of, any applicable tax. In the event that any Securitifleet company is required to make any such deduction or withholding, it is further required to gross-up each payment to Securitifleet Holding to ensure that Securitifleet Holding receives and retains a net payment equal to the payment which it would have received had no such deduction or withholding been made.

Each Securitifleet On-Loan Agreement provides that the Securitifleet Companies will make all payments pursuant thereto on a timely basis in order to ensure that Securitifleet Holding can satisfy its payment obligations under the Senior asset Revolving Facility and the Securitifleet Loan, taking into account administrative and timing concerns and limitations, including under the SF Intercreditor Agreement. As the SF Intercreditor Agreement only permits payments to be made on a settlement date falling on the 17th of each month, semi-annual interest payments on the EC Finance Notes are funded by Securitifleet Holding to ECF on the settlement date preceding the relevant semi-annual interest payment date on the EC Finance Notes (which is on the first of the following month). ECF is permitted to invest such funds in highly rated liquid securities held in an account pledged for the benefit of the EC Finance Note holders. Any surplus funds in such account following an EC Finance Notes interest payment date may be remitted to Securitifleet Holding for investment in the Securitifleet Companies. Pursuant to the ECI Subordinated Loan, ECI has the option to extend to ECF amounts sufficient to enable ECF to satisfy its payment obligations under the EC Finance Notes that are not funded through payments on the Securitifleet Loan.

Each Securitifleet Company has been created with a limited corporate purpose and is required by the terms of the Securitifleet On-Loan Agreements to which it is a party, which incorporate limitations substantially similar to those provided in the EC Finance Notes Indenture (as defined below), to use the proceeds of the relevant Securitifleet Advances made available under its Securitifleet On-Loan Agreement to acquire and lease vehicles to the Europcar operating company in its jurisdiction.

D) FCT JUNIOR NOTES

The revenue from the FCT Junior Notes subscribed by ECI set forth the overall credit enhancement and, as applicable, the remuneration of the FCT accounts (in the event of a negative interest rate being applicable to these accounts) as well as an additional liquidity requirement, which is an amount determined by application of a fixed percentage of the rental fleet residual value (which, for each Securitifleet Company and Goldfleet Company, is comprised of the aggregate residual value of a given rental fleet of these companies plus capitalized costs for any purchased vehicles for which registration is pending, less any aggregate provisions for badly damaged or stolen vehicles or vehicles the value of which has decreased significantly, with the amount equal to the product of the percentage of the loss adjustments and the residual value of the fleet being deducted), to the amount of the securitization financing (as defined below) at the level of the FCT Issuer, on a cross-collateralized basis among all the Securitifleet Companies and Goldfleet Companies (including any residual risk, such as interest rate risk). The amount and rate of the credit enhancement and liquidity required amount is calculated monthly (such amount being adjusted on the date on which each advance is made under the Senior asset Revolving Facility) and is applied towards the determination of the amount of the FCT Junior Notes to be issued in connection with each advance drawdown from time to time under the Senior asset Revolving Facility on the basis of the advance rate and the liquidity required amount.

The FCT Junior Notes are issued for a nominal amount of €1,000. They accrue interest on the basis of the nominal amount issued for each interest period which ends on each settlement date. The amount of interest due on each settlement date for each FCT Junior Note is calculated on a date immediately preceding this settlement date as follows:

a) an amount equal to (i) the sum of all interest amounts due to be received under the SARF Agreement on such settlement date; plus (ii) the swap floating amount due to the FCT Issuer by the swap counterparties on such settlement date, (iii) the aggregate interest amount accrued on a liquidity enhancement cash reserve account and an Italian withholding tax reserve account up to such calculation date; plus (iv) the FCT "Additional Amount" due to be paid by Securitifleet Holding to the FCT Issuer on such settlement date (being an amount payable by Securitifleet Holding to the transaction administrator for the account of the FCT Issuer, deemed to be €140,000 per month, subject to certain modifications); less (v) the swap fixed amount due to be paid by Securitifleet Holding to any swap counterpart on that settlement date; less (vi) the aggregate of all Senior Note coupons due to be paid in relation to all Senior Notes on such settlement date; divided by:

b) the aggregate outstanding amount of all Junior Notes; multiplied by;

c) the principal outstanding amount of such Junior Notes.

E) EC FINANCE NOTES

On November 2, 2017, EC Finance Plc ("ECF") issued 2.375% Senior Secured Notes for a principal amount of €350 million due in 2022 (the "EC Finance Notes"). The EC Finance Notes are admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange.

The EC Finance Notes were issued pursuant to an issue agreement (indenture), dated as of November 2, 2017 (the "EC Finance Notes Indenture") between ECF as issuer, the Company and ECI as guarantors, The Bank of New York Mellon, London Branch as trustee, transfer and principal paying agent and Security Agent for the EC Finance Notes, and The Bank of New York Mellon SA/NV, Luxembourg Branch as depositary and Luxembourg transfer and paying agent. The EC Finance Notes are obligations of ECF, and are guaranteed by the Company and ECI on a senior unsecured basis.

The revenue from the issue of those EC Finance Notes have been allocated to the repayment in full of the ECF notes issued on July 31, 2014 with a principal of €350 million repayable in 2021 and paying 5.125% annual interest.

On June 29, 2018, ECF issued new senior secured notes due 2022 bearing interest at a rate of 2.375% for a total amount of €150 million. The offering price of the notes was set at 99.0001% with a yield to maturity of 2.6178%. The notes are equivalent to the €350 million existing EC Finance notes and will then increase the existing notes to €500 million. The delivery and settlement and the listing of the notes on the Euro MTF market of the Luxembourg Stock Exchange occurred on June 29, 2018. The proceeds of the notes amounts to €148.5 million and was partly used to finance the Goldcar rental fleet integration into the Group's securitization program.

Under the Securitifleet Loan agreement between ECF and Securitifleet Holding, the Securitifleet Loan funding was made available to Securitifleet Holding in an amount equal to the aggregate principal amount of the EC Finance Notes. Securitifleet Holding then makes Securitifleet Advances to Securitifleet Companies. ECF and ECI entered into the "ECI Subordinated Loan" pursuant to which ECI has the option to extend to ECF amounts sufficient to enable ECF to satisfy its payment obligations under the EC Finance Notes that are not funded through payments on the Securitifleet Loan.

GUARANTEES

The EC Finance Notes are guaranteed on a senior unsecured basis by the Company and by ECI (the "Guarantees"). The Guarantees form part of the Company's and ECI's general Senior Notes, and therefore have the same payment priority as all Company and ECI existing and future debts whose repayments are not subordinated to specific Guarantees or calls on Guarantees. The Guarantees rank senior in right of payment to all existing and future indebtedness of the Company or ECI that is subordinated or otherwise junior in right of payment to the Guarantees.

The Guarantees are subordinated to any existing or future debt and any other liabilities of the Company or ECI secured by the property and assets of the Company or ECI and its subsidiaries to the extent of the value of the property and assets securing this debt, including the Senior Revolving Credit Facility and certain fleet financing contracts. In the event of bankruptcy or insolvency, the secured lenders have a priority claim over all securities of the Company or ECI securing the debt they hold.

The obligations of Securitifleet Holding under the Securitifleet Loan are secured directly or indirectly by the Securitifleet Securities and Goldfleet Securities. See Section 3.2.3.2. "Debt Related to Fleet Financing" in section (B) "Securitifleet Securities and Goldfleet Securities".

RANKING/PRIORITY

The EC Finance Notes:

- are general senior notes of ECF;
- are guaranteed on a senior unsecured basis by the Company or ECI;
- rank equally in right of payment with all existing and future indebtedness of ECF that is not subordinated in right of payment to the EC Finance Notes; and
- rank senior in right of payment to all existing and future indebtedness of ECF that is subordinated or otherwise junior in right of payment to the EC Finance Notes.

SECURITY INTERESTS

EC Finance Notes benefit directly from the security interests granted to the notes security agent on behalf of the EC Finance Notes trustee and of holders of the EC Finance Notes (the "EC Finance Notes Securities") in the following rights, property and assets:

- the balance in UK bank accounts of ECF and ECF's rights under the ECI Subordinated Loan; and
- ECI's rights under the Securitifleet Loan.

As lender of the Securitifleet Loan, ECF (and indirectly the EC Finance Note holders) also benefits, indirectly, from the Securitifleet Securities and Goldfleet Securities. See Section 3.2.3.2. "Debt Related to Fleet Financing" in section (B) "Securitifleet Securities and Goldfleet Securities".

EVENT OF EARLY REDEMPTION

Before November 15, 2019, ECF or the Company may redeem early all or part of the EC Finance Notes, upon not less than 10 nor more than 60 days' notice before the redemption date, at a redemption price of 100% (expressed as a percentage of par) plus interest accrued and not paid, if applicable, on the redemption date through the payment of a make-whole premium.

Moreover, the Company may, prior to November 15, 2019, over the course of each 12-month period starting November 2, 2017, redeem early, with the net cash proceeds from an equity issue, up to 10% of the amount of the EC Finance Notes issued, upon not less than 10 nor more than 60 days' notice before the redemption date, at a redemption price of 103.0% of the principal amount increased by interest accrued and not paid at the redemption date.

Moreover, ECF on the Company may, prior to November 15, 2019, redeem early, with the net cash revenue from an equity securities issue, up to 40% of the principal amount of the EC Finance Notes issued, upon not less than 10 nor more than 60 days' notice before the redemption date, at a redemption price of 102.375% of the principal amount increased by interest accrued and not paid, provided that:

(i) at least 60% of the principal amount of the EC Finance Notes originally issued (excluding EC Finance Notes held by the Company and its affiliates) remains outstanding immediately after any such redemption; and

(ii) the Company makes such redemption not more than 90 days after the issue of any such equity securities.

At any time after November 15, 2019, the Company or ECF may redeem all or part of the EC Finance Notes upon not less than 10 nor more than 60 days' notice before the redemption date, at the following redemption prices (expressed as a percentage of par), plus accrued and unpaid interest at the redemption date, if redeemed during the 12-month period commencing on November 15 of the years set out below:

Year	Redemption Price
Friday, November 15, 2019	101.188%
November 15, 2020	100.594%
Starting November 15, 2021	100.000%

In addition, in the event that the Company or ECI becomes obligated to pay additional amounts (as defined in the EC Finance Notes Indenture) to EC Finance Note holders as a result of changes affecting withholding taxes applicable to payments on the EC Finance Notes, the Company or ECI may redeem the EC Finance Notes in whole (but not in part) at any time at a price equal to 100% of the principal amount of the EC Finance Notes plus interest accrued and unpaid at the redemption date.

Any optional redemption made under this Section shall be irrevocable.

CHANGE OF CONTROL AND ASSET SALES

Upon the occurrence of certain change of control events, each holder of the EC Finance Notes may require ECF or the Company to repurchase all or a portion of its EC Finance Notes at a purchase price equal to 101% of par, plus interest accrued and unpaid at the redemption date. ECF or the Company must inform holders of the change of control and the terms of this optional redemption within 30 days of the occurrence of a change of control event.

"Change of control" is understood to mean (a) a related person or group of persons (in the sense of Sections 13(d) and 14(d) of the U.S. Securities Exchange Act of 1934) other than Eurazeo or a member of the Eurazeo Group, obtaining direct or indirect control, in the sense of Sections 13d-3 and 13d-5 of the U.S. Securities Exchange Act of 1934, with more than 50% of the voting rights in the Company, (b) the sale in one or more transactions of nearly all assets of the Company and its subsidiaries restricted to any related person or group of persons, in the sense of Sections 13(d) and 14(d) of the U.S. Securities Exchange Act of 1934, other than Eurazeo or a member of the Eurazeo Group, (c) the adoption of a plan for the liquidation or winding up of the Company, or (d) ECI ceases to be a wholly-owned subsidiary of the Company.

COMMITMENTS (COVENANTS)

The EC Finance Notes Indenture contains covenants that, among other things, limit the ability of ECF, ECI, Securitifleet Holding, Securitifleet Companies, Goldfleet Companies and their restricted subsidiaries to:

- respect a maximum loan-to-value ratio of all Securitifleet companies' and Goldfleet companies' indebtedness over the total value of certain of the Securitifleet companies' and Goldfleet companies' assets of 95%, compliance to be tested on a quarterly basis;
- respect covenants limiting the activities of ECF and the Securitifleet Companies and Goldfleet Companies;
- incur additional indebtedness;
- make restricted payments, including dividends or other distributions;
- create certain securities;
- sell assets;
- in the case of restricted subsidiaries, enter into arrangements that restrict dividends or other payments to the Company;
- in the case of restricted subsidiaries, give guarantee or secure debt;
- engage in transactions with affiliates;
- consolidate, merge or transfer all or substantially all of the Company's assets and the assets of its subsidiaries on a consolidated basis; and
- take any action that would materially impair the security interest.

These covenants are subject to important exceptions and qualifications. Currently, all of the subsidiaries of ECF, ECI, Securitifleet Holding and Securitifleet Companies and Goldfleet Companies are restricted subsidiaries (as defined in the EC Finance Notes Indenture).

EVENTS OF DEFAULT

The EC Finance Notes Indenture contains customary events of default, including, among others, the non-payment of principal or interest on the EC Finance Notes, certain failures to perform or observe any other obligation under the EC Finance Notes Indenture or security documents, the failure to pay certain indebtedness or comply with judgments and the bankruptcy or insolvency of ECF, ECI, a Securitifleet Company, a Goldfleet Company or a significant subsidiary. The occurrence of any default event would permit or require the acceleration of all obligations outstanding under the EC Finance Notes Indenture.

SF INTERCREDITOR AGREEMENT

In connection with entering into the SARF and the issuance of the EC Finance Notes, an intercreditor agreement was entered into with, inter alia, the Senior Facility Lending Bank under the SARF and the trustee for the EC Finance Notes on July 30, 2010, with said agreement amended on March 4, July 31, 2014, May 12, 2015, September 14, 2016, and again on November 2, 2017 (the "SF Intercreditor Agreement").

The SF Intercreditor Agreement sets out, among other things:

- the relative ranking of certain of Securitifleet Holding's debt;
- when payments can be made in respect of Securitifleet Holding's debt;
- when and under what terms enforcement action in respect of this debt can be taken;
- the terms on which any part of this debt will be subordinated upon the occurrence of certain insolvency events;
- dispositions related to revenue;
- security amendment principles setting out when security and guarantees may be modified by the common security agent without prior consent from the trustee or holders of EC Finance Notes; and
- limitations to any petition action in certain time periods and to the recourse which may be taken against Securitifleet Holding and any of the Securitifleet companies and Goldfleet companies.

F) SUBSTANTIAL OPERATING LEASES

The Group finances a portion of its fleet in all of its Corporate Countries through operating leases. The Group has entered into large framework operating lease agreements, respectively, with financial institutions and the financing arms of the Group's main car suppliers, which are negotiated at a Group level.

The Group's main operating leases are described below.

CM-CIC AGREEMENTS IN GERMANY AND BELGIUM

The operating lease agreements with CM-CIC are the Group's main operating leases with financial institutions. The Group's German Operating Company and CM-CIC Leasing GmbH, Frankfurt/Main entered into a vehicle sale and leaseback master agreement dated January 30, 2009 (as amended from time to time), for a term of three years, for the sale and leaseback of vehicles to be purchased from the manufacturers Volkswagen AG, Audi AG, Seat Deutschland GmbH, SkodaAuto Deutschland GmbH, Volkswagen AG Marke Volkswagen Nutzfahrzeuge and Volkswagen Gebrauchtfahrzeughandels- und Service GmbH under certain purchase agreements. Over the course of 2011, the line of credit was extended to Belgium and France with a volume of up to €500 million. Local operating leases were entered into by CM-CIC and Europcar entities in France and Belgium. The parties agreed to extend the term of the line of credit for Germany and Belgium until the end of 2014 and to reduce the line to €410 million; the maturity of the line was further extended to mid-2015. In August 2015, the parties entered into a global framework agreement setting out the general terms and conditions of the leases until mid-2016 which have been supplemented by local lease contracts. Amendments to leases were signed on June 30, 2016 to extend the repayment date of the global line of credit until December 31, 2017. New amendments were signed on January 1, 2018 to extend the expiry date of the line of credit to December 31, 2019 and reduce the applicable margin. The maturity of the line of credit was extended to December 31, 2021 for Europcar Germany, Europcar Belgium and Europcar Luxembourg for a maximum amount of €400 million. In addition, €10 million were allocated to the financing of the Ubeeqo fleet.

OPERATING LEASE COMMITMENTS WITH CAR MANUFACTURERS' FINANCIAL ENTITIES

Europcar International S.A.S.U. and some of the Group's main car suppliers, such as Daimler, Volkswagen and Renault have put in place, at the local level, operating leases between the Group's local operating companies and the car suppliers' financial entities. These operating leases are entered into on the basis of a detailed fleet plan per country agreed between the parties. These agreements roll on a yearly basis.

In addition, the Group has entered into several base operating leases for the purpose of purchasing and leasing activities of the rental fleet.

G) INTEREST RATE SWAP AND CAP CONTRACTS

As at the date of this Universal Registration Document, the Group has entered into interest rate swap contracts and cap contracts.

The first interest rate swap contract was originally entered into by the Group in December 2010. Under this swap contract, as amended several times over the years, the Group pays a fixed interest of between 0.284% and 0.744% of the nominal amount of €1 billion (i.e., an average interest rate of 0.642%) and receives interest equal to 1-month Euribor. The termination date of this swap contract was fixed at July 17, 2019.

On September 15, 2016, the Company amended this swap contract in order to extend the termination date of July 17, 2019 to October 17, 2020and to lower the interest rate payable to 0.516%.

In July 2011, the Group entered into the second interest rate swap contract, with a start date of December 19, 2011. Pursuant to this swap contract, amended several times over the years up to the date of this Universal Registration Document, the Group pays interest at a fixed rate of 1.099% on the outstanding nominal amount of €0.6 billion and receives interest equal to 6-month Euribor. The termination date of this contract is July 19, 2020.

On August 4, 2016, the Company amended this swap contract to extend the termination date of July 19, 2020 to June 19, 2021 and to lower the interest rate payable to 0.96%.

On September 16, 2016, the Company entered into two interest rate cap contracts each with a nominal of €100 million terminating on October 17, 2020 to meet the increase of €200 million to the SARF amount made in September 2016, and by which the Company is hedged against an increase in the 1 month Euribor floating rate above 0%.

On March 20, 2018, the Company amended the €0.6 billion swap contract to extend the termination date of June 19, 2021 to June 20, 2023 at a fixed rate of 1.36%.

On May 16, 2018, the interest rate hedging tools were amended and completed to reflect the amendments to the SARF. The existing swaps amounting to €1 billion at an average fixed rate of 0.516% have been extended by 2 years, from October 2020 to October 2022 at a fixed rate of 0.944%. The existing caps amounting to €200 million have been restructured. The protected rate of 0% has been increased to 0.50% and the maturity extended to October 2022. The Group has also supplemented the rate hedges by the implementation of additional caps for a total amount of €400 million at the protected rate of 0.50% maturing in October 2022.

On July 25, 2019, the Company reamended the €0.6 billion swap contract with an effective date of June 20, 2019, decreasing its fixed rate from 0.96% to 0.75% for the period expiring on June 21, 2021 and extending its maturity to December 20, 2024 at a fixed rate of 1.10%.

H) UNITED KINGDOM FLEET FINANCING FACILITIES

The Group currently finances its fleet in the United Kingdom on a stand- alone basis through its UK subsidiaries including Europcar Group UK Limited ("ECGUK"), Goldcar Rental UK Ltd ("GCUK"), Europcar UK Limited ("ECUK"), and certain subsidiaries of ECUK, pursuant to one facility in the form of an overdraft (for an amount of £5 million) and finance lease or operating lease facilities (for a total amount of £455 million).

The following table presents the Group's fleet financing in the United Kingdom, described below.

Financing	On- or off-balance sheet	Security or Asset-Backed	Term/Maturity	Amount drawn down as at Dec. 31, 2019 *(in million GBP)*	Amount available as at Dec. 31, 2019 *(in million GBP)*	Interest Rate
Club Facility	On balance sheet	Yes (financed fleet and other assets)	2022	369 (approx. €434 million)	31 (approx. €36 million)	Libor 1.80%
Lex Autolease Facility	Off balance sheet	Yes (title over the financed fleet)	2019	0	55 (approx. €65 million)	Libor 2.00%
Lloyds Overdraft Facility	On balance sheet	Yes (title over the financed fleet) and other assets)	Reviewed annually	0	5.0 (approx. €5.6 million)	Libor 2.00%

THE "CLUB" FACILITY

On October 1, 2014, ECUK entered into a funding agreement (the "Club Funding Agreement") with Lombard, United Dominion Trust, HSBC and GE Capital (hereafter the "Club Funders") pursuant to which the Club Funders granted to ECGUK, as hirer (the "Club Hirer"), a £425 million aggregate facility, to finance the purchase of the Group's UK fleet vehicles. On September 20, 2016, an amendment to the Club Facility was signed in order to extend the maturity by one year to October 2019, to lower the margin by 20 bps, i.e. Libor +180 bps, and to reconfigure the banking syndicate (exit of GE Capital Equipment Finance Limited and entry of Santander Asset Finance Plc by conversion and increase of the previously independent Santander Facility, signed on October 10, 2014 for an initial amount of £30 million). Further amendments were signed on July 20, 2017 and October 6, 2017 to modify the legal documentation and general covenants. In this context, the margin on LIBOR was adjusted by 20 basis points to reach 200 bps. The amount of the Club Facility was £400 million, together with an uncommitted "Seasonal Facility" of £100 million, provided by the banks participating in the Club Facility, each year between the months of May and October. The Club Facility brings together the following four funding facilities entered into on a bilateral basis:

- £150 million under the funding facility entered into with Lombard North Central PLC;
- £100 million under the funding facility entered into with HSBC Equipment Finance Limited;
- £100 million under the funding facility entered into with United Dominion Trust Limited; and
- £50 million under the funding facility entered into with Santander Asset Finance Plc.

The Club Funding Agreement was initially entered into for a term of three years, with two successive options for one-year extensions exercisable on the first and second anniversaries of the date of the agreement. Under the amendment entered into on September 20, 2016, ECG UK exercised its second extension option, having exercised the first option on October 1, 2015. The obligations of the Club Hirer under the Club Facility are guaranteed by ECUK, PremierFirst Vehicle Rental EMEA Holdings Limited, PremierFirst Vehicle Rental Holdings Ltd., PremierFirst Vehicle Rental Franchising Ltd. and Provincial Assessors Ltd. (collectively the "Club Guarantors").

On October 19, 2018, ECUK and GCUK entered into a new funding agreement ("Club Funding Agreement") with Lombard North Central, HSBC Equipment Finance and Santander Asset Finance (the "Club Funders") pursuant to which the Club Funders granted to ECGUK and GCUK (the "Club Hirers") under the Club Facility a £400 million aggregate facility, to finance the purchase of the Group's UK rental fleet. The amount of the Club Facility is complemented by an uncommitted "Seasonal Facility" of

£150 million, provided by the banks participating in the Club Facility each year between the months of May and October. The Club Facility has term of three years with two successive options for one-year extensions exercisable on the first and second anniversaries of the date of the agreement the first extension was exercised on January 20, 2020. It brings together the following three funding facilities entered into on a bilateral basis:

- £200 million under the funding facility entered into with Lombard North Central PLC;
- £125 million under the funding facility entered into with HSBC Equipment Finance Limited;
- £75 million under the funding facility entered into with Santander Asset Finance Plc.

SECURITY INTERESTS

The Club Hirer's obligations under the facility are secured by way of: (i) a title in the assets funded, (ii) fixed fees on the bank account into which such revenue is paid, (iii) guarantees from the Club Guarantors, (iv) debentures from the Club Hirer, ECUK, PremierFirst Vehicle Rental EMEA Holding Limited, PremierFirst Vehicle Rental Holding Ltd., PremierFirst Vehicle Rental Franchising Ltd., Provincial Assessors Ltd., Brunel Group Holdings Ltd. and Brunel Carriage Ltd., and (v) a security assignment of the manufacturer's buy-back commitments relating to assets funded by the Club Vehicle Funders.

COMMITMENTS (COVENANTS)

The facility contains affirmative and negative covenants customary for this type of facility including restrictions on creation of security interests over the assets of certain members of ECGUK, the periodic delivery of financial and other information, and certain financial covenants and fleet tests.

In particular, ECUK must ensure that:

- the net assets of ECGUK are not less than £45 million; and
- fleet cover shall be no more than 1.00.

As at December 31, 2019, ECUK complied with all these financial covenants.

EVENTS OF DEFAULT

The facility contains events of default customary for these types of agreements, including, (i) breach of the terms of the Club Funding Agreement, (ii) breach of certain other funding or rental agreements, (iii) insolvency and cross default provisions, (iv) repayment default, and (v) non-compliance with covenants.

THE LEX AUTOLEASE FACILITY

On October 1, 2014 ECGUK entered into a master finance lease with Lex Autolease Limited to finance the purchase of the Group's UK fleet vehicles via an operating lease with a credit facility of £55 million. The master finance lease ended on December 31, 2019, the last rentals expire on March 31, 2020.

The borrowers' obligations under the new Lex Autolease facility is secured by way of title in the assets funded. The facility contains affirmative and negative covenants customary for this type of facility. The facility also contains customary events of default for this type of facility.

THE LLOYDS OVERDRAFT FACILITY

On October 1, 2014, ECGUK and PremierFirst Vehicle Rental Holdings Limited, as borrowers, and Lloyds, as lender, entered into an overdraft facility agreement pursuant to which Lloyds provided a £5 million net/£10 million gross overdraft facility to ECGUK and certain of its subsidiaries for general overdraft purposes. The "Overdraft Facility" is renewed annually and expires on August 31, 2020.

Interest is payable on all amounts owing under the Overdraft Facility at the annual rate which is the sum of the applicable margin and the then applicable base rate.

The Overdraft Facility may be canceled by Lloyds at any time and all outstanding advances, together with accrued interest, may become immediately due and payable.

On the occurrence of certain events, including a change of control, the Overdraft Facility may be canceled and all outstanding advances, together with accrued interest, may become immediately due and payable.

Obligations under the Overdraft Facility are secured by UK law debentures granted by certain members of Europcar UK Group in favor of Lloyds.

The Overdraft Facility contains affirmative and negative covenants customary to this type of agreement including periodic delivery of financial information and maintenance of certain financial performance targets.

The Overdraft Facility letter sets out events of default customary for these types of facilities including, subject to certain remediation periods, events of default for non-payment, breaches of representations and guarantee covenants, and insolvency-related events.

I) ASSET FINANCING IN AUSTRALIA AND NEW ZEALAND

As at December 31, 2019, National Australia Bank (NAB), Toyota Financial Services (TFS), Commonwealth Bank of Australia, Westpac Bank, Bank of Queensland, Mercedes Financial Services, BMW Financial Services and other Australian and New Zealand financial institutions have provided Europcar Australia and Europcar New Zealand with senior credit facilities (the "Australian and New Zealand Asset Financing Facilities"), including revolving and non-revolving fleet operating and finance leases for up to AUD405 million. These facilities are renewed annually and finance the fleet in Australia and New Zealand.

The facilities are secured by fixed and floating charges over Europcar Australia and Europcar New Zealand assets, including goodwill and uncalled capital and called but unpaid capital, together with the relative insurance policy assigned. There are also performance guarantees for the facilities.

These facilities include covenants. In particular, Europcar Australia must ensure that:

- its minimum net worth, i.e., total shareholders' equity, is always greater than AUD58 million;
- its fleet utilization rate is above 70% on average over the year;
- its minimum cumulative net profit before tax is within 85% of the Company's budget.

As at December 31, 2019, Europcar Australia complied with all these financial covenants.

J) ASSET FINANCING IN THE UNITED STATES

As of December 31, 2019, Fox Rent-a-Car had bilateral credit facilities for the financing of its rental fleet granted by local financers, Element aka Gelco Corporation, Santander Bank, CIT, Peapack Capital Corporation, Next Gear Capital Inc., Merchant and Ford. These facilities are pegged to LIBOR with different margins and maturities depending on the financial institution. These facilities are accompanied by financial commitments, which are tested each quarter. Fox Rent-a-Car must ensure that:

- EBITDA is higher than $65 million;
- the gearing ratio (debt to EBITDA) is less than 5.

As of December 31, 2019, Fox Rent-a-Car had not met the EBITDA commitment but had succeeded in getting all its sponsors to release it from its commitments.

3.2.3.3 Equity

The shareholders' equity attributable to the owners of the Group totaled €837.8 million as of December 31, 2019 compared to €889.9 million as of December 31, 2018. The positive income generated by the Group in 2019, which totaled €29.6 million, was partially offset by various effects, in particular negative differences of a net amount of €18 million relating to the fair value of financial instruments and actuarial differences relating to pension plans notably in Germany due to the decrease in the discount rate, the exceptional distribution paid by the Group in 2019 in the amount of €39 million, and the share buy-back program for €40 million.

3.2.3.4 Contractual obligations and off-balance sheet commitments

Refer to Section 3.2.3 "Description of funding at December 31, 2019" and to Note 6.6 "Off-balance sheet commitments" to the consolidated financial statements for the year ended December 31, 2019.

3.2.3.5 Description of financing entered into after December 31, 2019

In order to consolidate the Group's liquidity and allow it to address its vehicle financing needs as well as its corporate needs linked to the impacts of the COVID-19 pandemic, the following financing arrangements were concluded on December 31, 2019:

1. Europcar IB S.A.U. and Goldcar Spain S.L.U. in Spain

The following eight (8) financing arrangements were concluded in Spain:

1) A credit agreement of €10,000,000, which is 70% guaranteed by the Spanish government was concluded between Goldcar Spain, S.L as the borrower and Banco Bilbao Vizcaya Argentaria, S.A. as the lender on April 17, 2020. The purpose of this three-year credit agreement is to finance the working capital requirements of the borrower and/or finance the vehicle fleet in Spain. It has an interest rate of 2.1%. The agreement is not backed by a security interest. However, the borrower granted a negative pledge clause to Banco Bilbao Vizcaya Argentaria, S.A., the lender. The credit agreement provides for a 12-month deferred payment period. It also includes an early repayment fee of 0.3%. Apart from the usual default cases, we draw your attention to the following default cases: (i) disposal of 25% of the borrower's assets, (ii) breach of payment obligations or other essential obligations for any other contract entered into between the borrower and the lender, and (iii) a change of more than 10% of the borrower's share capital or any other change of control for the borrower.
2) A credit agreement of €10,000,000, which is 70% guaranteed by the Spanish government was concluded between Europcar IB, S.A. as the borrower and Banco Bilbao Vizcaya Argentaria, S.A. as the lender on April 17, 2020. The purpose of this three-year credit agreement is to finance the working capital requirements of the borrower and/or finance the vehicle fleet in Spain. It has an interest rate of 2.1%. The agreement is not backed by a security interest. However, the borrower granted a negative pledge clause to Banco Bilbao Vizcaya Argentaria, S.A., the lender. The credit agreement provides for a 12-month deferred payment period. It also includes an early repayment fee of 0.3%. Apart from the usual default cases, we draw your attention to the following default cases: (i) disposal of 25% of the borrower's assets, (ii) breach of payment obligations or other essential obligations for any other contract entered into between the borrower and the lender, and (iii) a change of more than 10% of the borrower's share capital or any other change of control for the borrower.
3) A credit agreement of €7,250,000, which is 70% guaranteed by the Spanish government was concluded between Goldcar Spain, S.L. as the borrower and Bankinter, S.A. as the lender around April 23, 2020. The purpose of this four-year credit agreement is to finance the working capital requirements of the borrower and/or finance the vehicle fleet in Spain. The credit agreement has an interest rate of EURIBOR +2%. The agreement is not backed by a security interest. However, the borrower granted a negative pledge clause to Bankinter, S.A., the lender. The credit agreement provides for a 12-month deferred payment period. It also includes an early repayment fee of 0.5%. Apart from the usual default cases, we draw your attention to the following default cases: (i) a substantial increase in the borrower's financial debt (compared to the previous year), (ii) a substantial reduction of the share capital, (iii) a change of control,

or (iv) a substantial transfer of the borrower's assets or rights, or the grant of a substantial guarantee concerning the borrower's assets or rights, where these assets or rights were taken into account to determine the borrower's solvency.

4) A credit agreement of €4,000,000, which is 70% guaranteed by the Spanish government was concluded between Europcar IB, S.A. as the borrower and Bankinter, S.A. as the lender around April 23, 2020. The purpose of this four-year credit agreement is to finance the working capital requirements of the borrower and/or finance the vehicle fleet in Spain. The credit agreement has an interest rate of EURIBOR +2%. The agreement is not backed by a security interest. However, the borrower granted a negative pledge clause to Bankinter, S.A., the lender. The credit agreement provides for a 12-month deferred payment period. It also includes an early repayment fee of 0.5%. Apart from the usual default cases, we draw your attention to the following default cases: (i) a substantial increase in the borrower's financial debt (compared to the previous year), (ii) a substantial reduction of the share capital, (iii) a change of control, or (iv) a substantial transfer of the borrower's assets or rights, or the grant of a substantial guarantee concerning the borrower's assets or rights, where these assets or rights were taken into account to determine the borrower's solvency.

5) A credit agreement of €10,000,000, which is 70% guaranteed by the Spanish government was concluded between Goldcar Spain, S.L as the borrower and Bankia, S.A[*]. as the lender in April 2020. The purpose of this three-year credit agreement is to finance the working capital requirements of the borrower and/or finance the vehicle fleet in Spain. It has an interest rate of 2.2%. The agreement is not backed by a security interest. However, the borrower granted a negative pledge clause to Bankia, S.A., the lender. The credit agreement provides for a 12-month deferred payment period. It also includes an early repayment fee of 1%. Apart from the usual default cases, we draw your attention to the following default cases: (i) change of control: any change in the structure of Goldcar Spain's share capital in relation to the date on which the credit agreement is signed, (ii) amendment of the by-laws /corporate actions: commitment not to amend the by-laws of Goldcar Spain in a manner that would adversely impact the repayment of the loan and not to launch proceedings aimed at the Company's dissolution, liquidation, splitting, spin-off, partial asset contribution, merger, absorption or conversion.

6) A credit agreement of €18,000,000 which is 70% guaranteed by the Spanish government was concluded between Europcar IB, S.A. as the borrower and Bankia, S.A[*]. as the lender in April 2020. The purpose of this three-year credit agreement is to finance the working capital requirements of the borrower and/or finance the vehicle fleet in Spain. It has an interest rate of 2.2%. The agreement is not backed by a security interest. However, the borrower granted a negative pledge clause to Bankia, S.A., the lender. The credit agreement provides for a 12-month deferred payment period. It also includes an early repayment fee of 1%. Apart from the usual default cases, we draw your attention to the following default cases: (i) change of control: any change in the share capital structure of Europcar IB, S.A. in relation to the signing of the credit agreement, (ii) amendment of the by-laws /corporate actions: commitment not to amend the by-laws of Europcar IB, S.A. in a manner that would adversely impact the repayment of the loan, not to launch proceedings aimed at the Company's dissolution, liquidation, splitting, spin-off, and not to made a partial asset contribution, merger, absorption or conversion.

7) A credit agreement of €10,000,000 which is 70% guaranteed by the Spanish government was concluded between Goldcar Spain, S.L. as the borrower and CaixaBank, S.A. as the lender on April 29, 2020. The purpose of this three-year credit agreement is to finance the working capital requirements of the borrower and/or finance the vehicle fleet in Spain. The credit agreement has a floating interest rate of 1.750%. The agreement is not backed by a security interest. However, the borrower granted a negative pledge clause to CaixaBank S.A., the lender. The credit agreement provides for 12-month deferred payment period. It also includes an early repayment fee of 1%. Apart from the usual default cases, we draw your attention to the following default cases: change of control: in the event where the current majority shareholder ceases to directly or indirectly control the borrower or its Board of Directors.

8) A credit agreement of €4,000,000 which is 70% guaranteed by the Spanish government was concluded between Europcar IB, S.A. as the borrower and CaixaBank, S.A. as the lender on April 29, 2020. The purpose of this three-year credit agreement is to finance the working capital requirements of the borrower and/or finance the vehicle fleet in Spain. The credit agreement has a floating interest rate of 1.750%. The agreement is not backed by a security interest. However, the borrower granted a negative pledge clause to CaixaBank S.A., the lender. The credit agreement provides for a 12-month deferred payment period. It also includes an early repayment fee of 1%. Apart from the usual default cases, we draw your attention to the following default cases: change of control: in the event where the current majority shareholder ceases to directly or indirectly control the borrower or its Board of Directors.

2. Financing arrangements for Europcar International S.A.S.U. and Europcar Participations S.A.S. in France

Financing for an amount of €220 million which is 90% guaranteed by the French government through Bpifrance Financement was concluded on May 2, 2020 between the Group and most of its main French and international banks (the "**PGE Financing**" or State-guaranteed financing). The PGE Financing consists of two tranches, the first for an amount of €130 million for Europcar International S.A.S.U. and the second for an amount of €90 million for Europcar Participations S.A.S.

The purpose of the PGE Financing is to consolidate the Group's liquidity and allow it to address its financing needs and its corporate needs linked to the impacts of the COVID-19 pandemic.

The PGE Financing has a maturity period of one year until May 2021 with the option for each of the borrowers, at the end of this one-year period, to extend it for a period ranging between one and five additional years.

The interest rate on the PGE Financing is Euribor plus a margin of 2.25% (except for a lender who benefits from an additional 0.75% compensation).

The PGE Financing provides for a 12-month deferred payment period. Payments will be made afterwards according to the maturity period chosen by each of the borrowers with, in the event of an extension of more than one year, an initial repayment of 10% of the initial loan amount in May 2022, followed by a amortization schedule depending on the duration chosen, it being understood that if a cash capital increase of €150 million has not been carried out by December 31, 2022, a repayment of 50% of the outstanding loan amount must occur in May 2023.

The PGE Financing may be subject to partial early repayment if the Group enters into additional credit facilities guaranteed by a foreign government at a level of up to 50% of the proceeds of these facilities beyond a €20-million threshold (provided, however, that local legislation authorizes early repayment of an existing credit agreement with the proceeds from the State-guaranteed loan in question).

The PGE Financing will also be subject to partial early repayment in the event of a capital increase by the Europcar Mobility Group S.A. For capital increases exceeding €150 million an early repayment of up to 50% of the net proceeds of the cash capital increase, less an excess of €75 million if the net proceeds do not exceed €200 million or €100 million if the net proceeds exceed €200 million; net proceeds exceeding €350 million will not be subject to any mandatory early redemption.The commitments, declarations and default cases of the PGE Financing are fairly identical to those mentioned in the Revolving Facility Agreement concluded by the Group.

Europcar Mobility Group S.A. has also undertaken not to distribute dividends for the years ended December 31, 2019 and December 31, 2020. Thereafter, dividend distributions are permitted providing its net corporate gearing remains below 3x.

3. Financing of the vehicle fleet of Fox Rent A Car in the United States

Fox Rent a Car entered into a lease agreement with Merchants Fleet (Automotive Group, Inc.,) on April 7, 2020. This agreement concerns passenger vehicles and trucks. The lease agreement shall be valid for at least 18 months and at most 57.14 months. The lease price is indexed on the LIBOR 30 days plus 499 basis points (the LIBOR is floored at zero). This price must be paid monthly by Fox Rent a Car.

The overall value of the lease is USD 25,000,000 (tranche 1). By common agreement between the parties, the agreement may also concern (i) a second tranche for an amount of USD 25,000,000 and (ii) a third tranche for an amount of USD 20,000,000.

The obligations of Fox Rent a Car under this agreement are guaranteed by Europcar Mobility Group. This guarantee is governed by New York legislation and concerns a maximum amount of USD 40,000,000."

3.3 INVESTMENTS

3.3.1 Investment history

The Group's capital expenditures are primarily related to infrastructure and IT systems equipment, and to the equipment and modernization of the rental agencies.

If the acquisition is recorded in the statement of financial position, the expenses relating to the acquisition of vehicles are not recorded as a capital expenditure, but as operating expenses.

3.3.1.1 Rental fleet

The Group operates a large fleet that it has either acquired (with or without a buy-back clause) or that it owns as part of leases signed with car manufacturers, dealers or financial institutions. See Note 4 to the consolidated financial statements for more details about the accounting principles used for the fleet.

The Group's gross expenses relating to the acquisition of vehicles totaled €3.2 billion and €2.4 billion for the fiscal years ended December 31, 2019 and 2018, respectively. These expenses are primarily financed by ad hoc borrowings. The revenue from the sale of vehicles at the end of their period of use is used to repay these borrowings.

The following table shows the composition of the Group's rental fleet, by type of acquisition and financing:

Type of acquisition and related financing	% of total volume of vehicles purchased 2019	2018
Vehicles owned with a buy-back clause by manufacturers ("buy-back vehicles")	45%	41%
Vehicles owned under operating leases (right of use)	41%	48%
Total buy-back and right-of-use leased vehicle fleet	**86%**	**89%**
Vehicles purchased without manufacturer or dealer buy-back clause ("at-risk" vehicles)	14%	11%
Total rental fleet	**100%**	**100%**

For more information on the Group's rental fleet, see Section 1.6.6 "Group Fleet"; for more information on the cash flows related to vehicle purchases, see Section 3.2 "Liquidity and capital resources".

3.3.1.2 Capital expenditures

The Group's capital expenditures (acquisitions of intangible assets and property, plant and equipment, net of disposals) rose to €75 million in 2019, up from €67 million in 2018. These items represent expenditures for IT development and expenditures for other equipment (computer hardware and software, furniture, fit-out, fixtures and fittings).

IT development expenditures are related to installation of new business tools for better organization and coordination with business customers in small and medium enterprises. In addition, the launch of new products for use by customers, and improvement of Customer Experience, required a set of IT expenditures.

3.3.1.3 Acquisitions/joint ventures

In 2019, Europcar Mobility Group did not carry out any acquisitions or enter into joint ventures but did integrate the many acquisitions it had made during the year. This included the acquisition of 100% of franchisees located in Finland and Norway, with a strong presence on their respective domestic markets in the Cars et Vans segments. In the Low Cost segment, it integrated the acquisition of 100% of the American group Fox.

3.3.2 Ongoing investments

Refer to Section 3.3.3. "Future investments" below.

3.3.3 Future Investments

To support its efforts to develop and implement innovative mobility solutions, the Group plans to continue its investments as part of its 2020 plan designed to improve its information system architecture to make it more open and flexible in order to facilitate the integration of apps developed by third parties (see Section 1.6.8 "Information Systems").

The Group's strategies for 2020 provide for the possibility of assessing any acquisition that will expand its scope of consolidation by purchasing in countries in which the Europcar brand already operates, by acquiring direct competitors in the vehicle rental market, or by acquiring companies developing in the new mobility market.

At the registration date of this document, and with the exception of the obligations associated with the purchase of vehicles financed by ad hoc borrowings which can be repaid with the revenue from the sale of vehicles at the end of their useful life, the Company has not entered into any other significant commitment for future investments (see Note 6.6 "Off Balance Sheet Commitments" in the Group's consolidated financial statements for the fiscal year ended December 31, 2019).

3.4 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

Consolidated statement of income

(in thousands of euros)	Notes	**Twelve months 2019** [1]	Twelve months 2018
Revenue		**3,022,386**	**2,929,289**
Fleet holding costs	4.2	(805,539)	(763,027)
Fleet operating lease expenses		-	(339 336)
Net Fleet depreciation		(674,999)	(329,254)
Other fleet holding costs		(130,540)	(94,438)
Fleet operating costs	4.3	(1,006,517)	(990,302)
Personnel costs	9.1	(522,300)	(500,336)
Network and head office overhead costs	3.2	(240,870)	(294,337)
Non-fleet depreciation, amortization and impairment expense	3.3	(151,538)	(44,361)
Other income and expense	3.4	11,998	11,778
Current operating income		**307,619**	**348,704**
Other non-recurring income and expenses	3.5	(58,228)	20,374
Operating income		**249,391**	**369,078**
Net fleet financing expenses		(70,468)	(65,810)
Net non-fleet financing expenses		(77,529)	(64,366)
Net other financial expenses		(38,895)	(46,195)
Net financing costs	3.6	**(186,893)**	**(176,373)**
Profit/loss before tax		**62,498**	**192,705**
Income tax benefit/(expense)	3.7	(32,885)	(51,968)
Share of profit of Associates:		-	(1,327)
Net profit/(loss) for the period		**29,613**	**139,410**
Attributable to:			
• Owners of the parent company		29,633	139,497
• Non-controlling interests		(20)	(87)
Basic Earnings per share attributable to owners of the parent company *(in euros)*	3.8	0,181	0.866
Diluted Earnings per share attributable to owners of the parent company *(in euros)*	3.8	0,179	0.859

(1) The financial statements as of December 31, 2019 are established by applying IFRS 16 (using the modified retrospective approach without restatement of the previous year).

Consolidated statement of comprehensive income

(in thousands of euros)	**Twelve months [1]** Before tax	**Twelve months [1]** Tax income/ (expense)	**Twelve months [1]** After tax	Twelve months 2018 Before tax	Twelve months 2018 Tax income/ (expense)	Twelve months 2018 After tax
Net profit/(loss) for the period	**62,498**	**(32,885)**	**29,613**	**191,378**	**(51,968)**	**139,410**
Items that will not be reclassified to profit or loss	**(20,440)**	**6,361**	**(14,079)**	**(8,048)**	**2,699**	**(5,349)**
Actuarial gains/(losses) on defined benefit pension plans [2]	(20,440)	6,361	(14,079)	(8,048)	2,699	(5,349)
Items that may be reclassified subsequently to profit or loss	**3,151**	**-**	**3,151**	**(28,848)**	**-**	**(28,848)**
Foreign currency differences	7,441	-	7,441	(7,033)	-	(7,033)
Effective portion of changes in fair value of hedging instruments	(4,290)	-	(4,290)	(21,815)	-	(21,815)
Net change in fair value of available-for-sale financial assets	-	-	-	-	-	-
Other comprehensive income for the period	**(17,289)**	**6,361**	**(10,928)**	**(36,896)**	**2,699**	**(34,197)**
Total comprehensive income/(loss) for the period	**45,209**	**(26,523)**	**18,685**	**154,482**	**(49,269)**	**105,213**
Attributable to:						
• Owners of the Group			18,705			105,300
• Non-controlling interests			(20)			(87)

(1) The financial statements as of December 31, 2019 are established by applying IFRS 16 (using the modified retrospective approach without restatement of the previous year).
(2) In 2019, the employee benefit obligation for Germany were remeasured by (19,6) million euros mainly given the changes in the discount rate at December 31, 2019 based on the first-tier corporate bonds in Germany (0,70% at December 31, 2019 versus 1.60% at December 31, 2018). In 2018, the employee benefit obligation for Germany were remeasured by (6.6) euros million.

Consolidated statement of financial position

(in thousands of euros)	Notes	**At December 31, 2019** [(1)]	At December 31, 2018
ASSETS			
Goodwill	5.1	1,169,740	1,029,845
Intangible assets	5.2	1,016,084	986,016
Property, plant and equipment	5.3	518,346	159,247
Other non-current financial assets	8.1	73,905	66,012
Financial instruments non-current		-	1,544
Deferred tax assets	3.7	119,740	58,209
Total non-current assets		**2,897,815**	**2,300,873**
Inventory	6.1	29,563	26,536
Rental fleet recorded on the balance sheet	4.3	3,210,147	2,434,448
Rental fleet and related receivables	4.4	966,423	753,370
Trade and other receivables	6.2	487,618	481,264
Current financial assets	8.1	14,844	11,970
Current tax assets		34,023	37,547
Restricted cash	8.2	116,518	90,490
Cash and cash equivalents	8.2	527,019	358,138
Total current assets		**5,386,155**	**4,193,763**
TOTAL ASSETS		**8,283,970**	**6,494,636**
Equity			
Share capital		163,884	161,031
Share premium		701,229	692,255
Reserves		(199,818)	(165,487)
Retained earnings (losses)		171,886	201,417
Total equity attributable to the owners of the Group		**837,181**	**889,216**
Non-controlling interests		642	651
Total equity	**7**	**837,823**	**889,867**
LIABILITIES			
Non-current portion of financial liabilities	8.3	1,812,604	1,740,667
Non-current liabilities related to leases		292,174	-
Non-current financial instruments	8.5	64,161	60,415
Non-current employee benefit liabilities	9	161,565	142,358
Non-current provisions	10	5,132	2,925
Deferred tax liabilities	3.7	212,046	173,799
Other non-current liabilities		159	220
Total non-current liabilities		**2,547,841**	**2,120,384**
Current portion of financial liabilities	8.3	2,994,090	2,006,533
Current liabilities related to leases		192,474	-
Current employee benefit liabilities	9.2	3,275	3,192
Current provisions	10	219,950	220,893
Current tax liabilities		46,494	23,025
Rental fleet related payables	4.4	813,128	644,169
Trade payables and other liabilities	6.2	628,895	586,573
Total current liabilities		**4,898,306**	**3,484,385**
Total liabilities		**7,446,147**	**5,604,769**
TOTAL EQUITY AND LIABILITIES		**8,283,970**	**6,494,636**

(1) The financial statements as of December 31, 2019 are established by applying IFRS 16 (using the modified retrospective approach without restatement of the previous year).

Consolidated statement of changes in equity

	Share attributable to EUROPCAR MOBILITY GROUP								
(in thousands of euros)	Share capital	Share premium	Hedging reserve	Translation reserve	Treasury shares	Retained earnings	Total	Non-controlling interests	Total Equity
Balance at January 1, 2019	**161,031**	**692,255**	**(58,546)**	**(70,296)**	**(36,645)**	**201,417**	**889,216**	**651**	**889,867**
Impact of changed methods [1]	–	–	–	–	–	(5,832)	(5,832)	–	(5,832)
Adjusted balance at January 1, 2019	**161,031**	**692,255**	**(58,546)**	**(70,296)**	**(36,645)**	**195,585**	**883,383**	**651**	**884,035**
Net profit/(loss) for the period	**-**	**-**	**-**	**-**	**-**	**29,633**	**29,633**	**(20)**	**29,613**
Foreign currency differences	–	–	–	7,441	–	–	7,441	–	7,441
Effective portion of changes in fair value of hedging Instruments	–	–	(4,290)	–	–	–	(4,290)	–	(4,290)
Actuarial gains (losses) on defined benefit pension schemes	–	–	–	–	–	(20,440)	(20,440)	–	(20,440)
Income tax relating to components of other comprehensive income	–	–	–	–	6 361	6,361		6,361	
Other comprehensive income/(loss)	**-**	**-**	**(4,290)**	**7,441**	**-**	**(14,079)**	**(10,928)**	**-**	**(10,928)**
Transactions on treasury shares	–	(2,839)	–	–	(37,482)	–	(40,321)	–	(40,321)
Share base payment	–	–	–	–	–	688	688	–	688
Profit appropriate by Share Premium	–	–	–	–	–	(39,479)	(39,479)	–	(39,479)
Special distribution deducted from Share Premium	2,853	11,813	–	–	–	–	14,666	–	14,666
Other	–	–	–	–	–	(462)	(462)	11	(451)
Transactions with owners	**2,853**	**8,974**	**-**	**-**	**(37,482)**	**(39,253)**	**(64,908)**	**11**	**(64,897)**
Balance at December 31, 2019 [2]	**163,884**	**701,229**	**(62,836)**	**(62,855)**	**(74,127)**	**171,886**	**837,181**	**642**	**837,823**

(1) Change in accounting methods related to the first-time adoption on 1 January 2019 of IFRIC 23, described in Note 1.3 "Significant accounting policies".
(2) The financial statements as of December 31, 2019 are established by applying IFRS 16 (using the modified retrospective approach without restatement of the previous year).

(in thousands of euros)	Share capital	Share premium	Hedging reserve	Translation reserve	Treasury shares	Retained earnings	Total	Non-controlling interests	Total Equity
	Share attributable to EUROPCAR MOBILITY GROUP								
Balance at January 1, 2018	**161,031**	**745,748**	**(36,731)**	**(63,263)**	**(6,762)**	**37,209**	**837,232**	**763**	**837,995**
Catch up amortization of Purchase Price Allocation in 2018	-	-	-	-	-	(698)	(698)	-	(698)
Balance at January 1, 2018 restated	**161,031**	**745,748**	**(36,731)**	**(63,263)**	**(6,762)**	**36,511**	**836,534**	**763**	**837,297**
Net profit/(loss) for the period	**-**	**-**	**-**	**-**	**-**	**139,497**	**139,497**	**(87)**	**139,410**
Foreign currency differences	-	-	-	(7,033)	-	-	(7,033)	-	(7,033)
Effective portion of changes in fair value of hedging Instruments	-	-	(21,815)	-	-	-	(21,815)	-	(21,815)
Actuarial gains (losses) on defined benefit pension schemes	-	-	-	-	-	(8,048)	(8,048)	-	(8,048)
Income tax relating to components of other comprehensive income	-	-	-	-	-	2,699	2,699	-	2,699
Other comprehensive income/(loss)	**-**	**-**	**(21,815)**	**(7,033)**	**-**	**(5,349)**	**(34,197)**	**-**	**(34,197)**
Transactions on treasury shares	-	-	-	-	(29,883)		(29,883)	-	(29,883)
Share base payment	-	-	-	-	-	2,495	2,495	-	2,495
IFRS 9 impact	-	-	-	-	-	(194)	(194)	-	(194)
Profit appropriate by Share Premium	-	(29,265)	-	-	-	29,265	-	-	-
Special distribution deducted from Share Premium	-	(24,228)	-	-	-	-	(24,228)	-	(24,228)
Other	-	-	-	-	-	(808)	(808)	(25)	(833)
Transactions with owners	**-**	**(53,493)**	**-**	**-**	**(29,883)**	**30,758**	**(52,618)**	**(25)**	**(52,643)**
Balance at December 31, 2018	**161,031**	**692,255**	**(58,546)**	**(70,296)**	**(36,645)**	**201,417**	**889,216**	**651**	**889,867**

Consolidated cash flow statement

(in thousands of euros)	Notes	**Twelve months 2019** [1]	Twelve months 2018
Profit/(loss) before tax		**62,498**	**192,705**
Reversal of the following items			
Depreciation and impairment expenses on property, plant and equipment [1]	5.3	125,747	20,424
Amortization and impairment expenses on intangible assets	5.1 & 5.2	25,198	23,939
Impairment of financial assets		593	9,981
Changes in provisions and employee benefits [2]	9 & 10	(7,183)	(13,233)
Recognition of share-based payments		688	2,495
Profit/(loss) on disposal of assets [3]		(1,214)	(68,806)
Other non-cash items		4,592	5,809
Total net interest costs [4]		*154,909*	*137,492*
Amortization of transaction costs		*16,448*	*16,57*
Net financing costs		**171,357**	**154,069**
Net cash from operations before changes in working capital		**382,276**	**327,383**
Changes in the rental fleet recorded on the balance sheet [5]		(331,373)	(104,020)
Changes in fleet working capital	4.4	(27,953)	(51,156)
Changes in non-fleet working capital	6.2	10,137	(15,835)
Cash generated from operations		**33,087**	**156,372**
Income taxes received/(paid)		(29,919)	(46,109)
Net interest paid		(135,485)	(138,283)
Net cash generated from (used by) operations		**(132,317)**	**(28,019)**
Acquisition of intangible assets and property, plant and equipment [6]	5.1, 5.2 & 5.3	(84,454)	(73,132)
Proceeds from disposal of intangible assets and property, plant and equipment		9,030	6,529
Proceeds from disposal of subsidiaries [7]		1,499	70,000
Acquisition of subsidiaries, net of cash acquired and other financial investments [8]		(106,968)	(20,740)
Net cash used by investing activities		**(180,893)**	**(17,343)**
Capital increase (net of related expenses) [9]		11,827	-
Special distribution		(39,479)	(24,229)
(Purchases)/Sales of treasury shares		(42,402)	(29,883)
Derivatives		-	(6,083)
Issuance of bonds [10]	8.3	(150,000)	148,500
Change in other borrowings [11]	8.3	905,170	85,322
Change in rental debts [12]		(161,511)	(15,084)
Payment of transaction costs [13]		(8,909)	
Net cash generated from (used by) financing activities		**514,696**	**158,543**
Cash and cash equivalents at beginning of period		**424,986**	**313,251**
Net increase/(decrease) in cash and cash equivalents after effect of foreign exchange differences		201,486	113,181
Effect of foreign exchange differences		1,683	(1,446)
Cash and cash equivalents at end of period	8.2	**628,155**	**424,986**

(1) The financial statements as of December 31, 2019 are established by applying IFRS 16 (using the modified retrospective approach without restatement of the previous year).
(2) In 2019, the variation includes 103.6 million euros for the depreciation of the right of use of property assets within the scope of IFRS 16.
(3) In 2019, the variation is mainly explained by the change in the insurance provision for (2.4) million euros, in the "buy-back" provision for (2.6) million euros and benefit employee provision for (1) million euros. In 2018, the variation mainly includes payments related to some litigations in France for 10 million euros.
(4) In 2018 mainly related to the profit on the sale of Car2Go.
(5) In 2019, the variation includes 17.8 million euros for the depreciation of the right of use of leased assets within the scope of IFRS 16.
(6) Given the average holding period for the fleet, the Group reports vehicles as current assets at the beginning of the contract. Their change from period to period is therefore similar to operating flows generated by the activity. In 2019, the variation includes the change in right of use of the fleet within the scope of IFRS 16 for an amount of 48.5 million euros.
(7) Mainly related to IT developments for (39) million euros and equipment renewal for (28.8) million euros.
(8) The variation relates to the sale of the investment in SnappCar in 2019 and the sale of Car2Go in 2018.
(9) In 2019, the change is mainly related to the acquisition by the Group of its Finnish and Norwegian franchisees for 37.8 million euros and Fox Rent A Car for 49 million euros.
(10) In 2019, the variation includes the impact of the capital increase reserved for employees of the Group ("we Share 2019" Plan). Refer to Note 1.2.3.
(11) In 2019, the change is mainly related to the issuance of 450 million euros of Senior Notes at a rate of 4%, which mature in 2026 and the early reimbursement of 600 million euros of existing Senior Notes, at a rate of 5.750% that mature in 2022. In 2018, the change is mainly due to the launch of a Senior Secured Notes at a rate of 2.375% of an amount of 150 million euros maturing in 2022.
(12) In 2019, primarily related to changes in the Senior Credit Facility, Revolving Credit Facility and Commercial Papers. Refer to Note 8 for more detail.
(13) In 2019 and following the implementation of IFRS 16, the variation includes 49 million euros due to change in liability under the fleet lease agreements and 112.5 million euros due to change in liability under non-fleet lease agreements.
(14) In 2019, the variation is primarily due to transaction costs, of which (4.7) million euros relate to the new issuance of Senior Notes for 450 million euros and the renewal of the Revolving Credit Facility for (2.4) million euros. In 2018, payment of transaction costs including (4.2) million euros related to SARF, (0.2) million euros of initial costs related to the revolving credit facility, (1.3) million euros related to the bridging loan, (0.6) million euros related to the new 150 million euros bond issue and (2.6) million euros related to other loans.

NOTES

Note 1 General overview

1.1 GENERAL INFORMATION

Europcar Mobility Group S.A. is one of the major actor of Mobility. The Group offers a wide variety of mobility solutions to serve all the needs of its clients. The Group operates under several brands, the main ones of which are Europcar®, Goldcar®, InterRent®, Buchbinder® and Ubeeqo®. The Group is active worldwide through a dense network in 140 countries (18 wholly-owned subsidiaries in Europe, 1 in the United States, 2 in Australia and New-Zealand, as well as franchisees and partners).

Europcar Mobility Group S.A. was incorporated on March 9, 2006 with initial share capital of 235,000 euros and was converted into a French joint stock company (société anonyme) on April 25, 2006. ECG changed its governance on February 24, 2015 to take the form of a joint stock company with a Management Board and a Supervisory Board.

Europcar Mobility Group's registered offices are located at 13 ter boulevard Berthier, 75017 Paris, France. Europcar Mobility Group S.A. was first listed on the regulated market of Euronext Paris on June 26, 2015 (Compartment A; ISIN Code: FR0012789949; ticker: EUCAR).

In these consolidated financial statements, the terms "EMobG", "the Group" and "Europcar" mean Europcar Mobility Group S.A together with its consolidated subsidiaries.

1.2 MAIN EVENTS OF THE PERIOD

1.2.1 Change in scope

- On October 31, 2019 Europcar Mobility Group acquired 100% of **Fox Rent A Car** to accelerate its growth by a direct presence in the US, biggest worldwide market. Fox Rent A Car operates a network of 21 corporate stations and 100+ affiliates. It is present in 15 of the country's top 25 airports, with an attractive value for money price positioning, a significant track record of organic growth and a fleet of more than 18,000 vehicles. Fox Rent A Car and its subsidiaries are fully consolidated starting November 1, 2019.
- On June 21, 2019, Europcar Mobility Group announced the 100% disposal of its shares held in **SnappCar** at Autobinck for an amount of 1.5 million euros. This disposal enabled the recognition of profit of 0.4 million euros in the income statement.
- On May 31, 2019 Europcar Mobility Group acquired 100% of its **Finnish and Norwegian franchisees**. Through these acquisitions, the Group extends its corporate network from 18 to 20 countries and therefore strengthens its global footprint. These two companies have a strong presence in their respective national markets (n° 1 in Finland and n° 3 in Norway) with a customer base covering both leisure and business markets.

Finnish and Norwegian entities are fully consolidated starting July 1, 2019.

1.2.2 Financing

On April 17, 2019, the Group announced the success of the issue of 450 million euros of Senior Notes at 4% maturing in 2026.

On May 29, 2019, the Group has signed the amendment of the 500 million euros Senior Revolving Credit Facility (RCF) related to the increase of the maximum amount available by 150 million euros to 650 million euros.

On June 17, 2019, Europcar Mobility Group has used the proceed of the issuance of the Notes, together with drawings under the amended RCF for the:

(i) early redemption in full of Europcar Mobility Group's existing 600 million euros at 5.750% notes maturing in 2022; and

(ii) payment of estimated costs and expenses related to the issuance of the Notes.

1.2.3 Capital increase reserved for employees of the Group ("we Share 2019" Plan)

In order to associate its employees more closely with the Group's activity and results, Europcar Mobility Group wished to offer them the possibility of subscribing for shares in the Company as part of a capital increase reserved for employees who are members of the Group employee savings plans.

On December 21, 2018, the Supervisory Board approved the principle of implementing the "we Share 2019" offer.

The Management Board of June 21, 2019, decided that the shareholding operation for group employees would be carried out by issuing new shares on the basis of the thirty-third and thirty-fourth resolutions adopted by the Shareholders' Meeting of shareholders of April 26, 2019.

The subscription price was set by the same Management Board at a price of 5.14 euros per share. Employees who subscribed to the "we Share 2019" offer benefited from a contribution up to a limit of 1000 euros per employee.

The Offer resulted in the completion, on July 30, 2019, of a capital increase of a total gross amount of 14,666,450 euros by the issuance of 2,853,395 new shares with a par value of 1 euro each.

1,608 employees in the 16 countries concerned, representing 11% of the Group's workforce, have chosen to subscribe to the Offer. Consequently, the shares held by Group employees represent, at December 31, 2019, 2.90% of the share capital of Europcar Mobility Group compared to 1.35% at December 31, 2018.

1.3 SIGNIFICANT ACCOUNTING POLICIES

1.3.1 Principles of account preparation

The consolidated financial statements of Europcar Mobility Group were prepared in accordance with the principles defined by the International Accounting Standards Board (IASB) as adopted by the European Union. This framework is available on the website of the European commission: http://ec.europa.eu/finance/accounting/ias-evaluation/index-en. htm.

The international framework comprises IFRS (International Financial Reporting Standards), IAS (International Accounting Standards) and their SIC (Standing Interpretations Committee) and IFRIC (International Financial Reporting Interpretations Committee) interpretations. The financial statements were prepared under the historical cost convention, except for the valuation of certain financial instruments.

These consolidated financial statements are presented in euros (€), which is Europcar Mobility Group's functional currency and the Group's presentation currency. All financial information presented in euros (€) has been rounded to the nearest thousand euros unless otherwise stated.

The IFRS consolidated financial statements of the Europcar Mobility Group for the year ended December 31, 2019 were approved by the Management Board and examined by the Supervisory Board on February 24, 2020. They are subject to the approval of the Shareholders' Meeting of June 12, 2020.

1.3.2 Basis of measurement

The accounting policies used to prepare the consolidated financial statements are consistent with those used for the year ended December 31, 2018, with the exception of the following standards, which are mandatory for accounting periods beginning on or after January 1, 2019:

(i) Standards and interpretations applicable for the annual period beginning on January 1, 2019

New standard and interpretation	Main provisions
IFRS 16	IFRS 16 "Leases", adopted by the European commission on October 31, 2017, will replace IAS 17 "Leases" and interpretations relating to the accounting of such contracts. The Group has chosen to apply the modified retrospective approach. The conclusion is detailed following this table.
IFRIC 23 Interpretation	European commission approved IFRIC 23 "Uncertainty over Income Tax Treatments" interpretation on October 23, 2018 applicable starting from January 1, 2019. This interpretation clarifies the accounting for uncertainties in income tax and deferred tax. If there are some doubts about tax treatment validation by Tax authorities in accordance with tax legislation, tax treatment is classified as "uncertain". The Group applied the IFRIC 23 interpretation from January 1, 2019. The conclusion is detailed following this table.
Amendment to IAS 28	IAS 28 "Investments in Associates and Joint Ventures" amendment, adopted by European commission on February 8th, 2019 is mandatory applicable since January 1, 2019. Long-term interests corresponds to items such as payment that is neither foreseeable nor planned in a predictable future, that belong to net investment in associated firm or joint venture. This amendment has no impact on the Group's accounts.
Amendment to IAS 19	The amendment of the standard IAS 19 "Remeasurement at a plan amendment, curtailment or settlement", adopted by the European commission on March 13, 2019, is applicable on a mandatory basis from the January 1, 2019. This amendment specifies that in case of an event modifies, reduces or liquidates a plan, the cost of the services provided and the amount of net interests subsequent to the these events, should be determined by using the actuarial assumptions selected at the date of the change. This amendment has no impact on the Group's accounts.
Amendment to IFRS 9	On October 12, 2017, the IASB published amendments to IFRS 9 "Financial instruments" entitled " Prepayment Features with Negative Compensation" to address the frequent case of instruments containing a prepayment clause when the exercise of this clause entails a reimbursement lower than the sum of the principal and interest on the principal remaining due. This is called Negative Compensation. This amendment has no impact on the Group's accounts.

New standard and interpretation	Main provisions
Amendments to IFRS 9, IAS 39 and IFRS 7	The amendments to IFRS 9, IAS 39 and IFRS 7 "Interest Rate Benchmark Reform" published by IASB on September 26, 2019. These amendments aim to define exceptions to the application criteria of hedge accounting provided by IFRS 9 and IAS 39 and to specify the information to disclose related to the effects of the Interest Rate Benchmark Reform. The European commission adopted these amendments on January 15, 2020. Their application date has been set for January 1, 2020 with possible early application. The IASB has a two-phase project to consider what, if any, reliefs to give from the effects of interest rate reform. The Phase 1 amendments provide temporary relief from applying specific hedge accounting requirements to hedging relationships directly affected by this reform. The reliefs have the effect that the interest rate reform should not generally cause hedge accounting to terminate. However, any hedge ineffectiveness should continue to be recorded in the income statement under both IAS 39 and IFRS 9. The Group has decided the early application of this reform and therefore benefits from the reliefs in phase 1 of the project (refer to Note 8).
Annual improvements to IFRS 2015-2017 Cycle	The amendment "Annual improvements to IFRS 2015-2017 Cycle" adopted by European commission on March 14, 2019. This amendment stems from the annual improvements process and the target is to simplify and clarify the international accounting standards. The following standards are amended: IFRS 3 "Business Combinations", IFRS 11 "Joint Arrangements", IAS 12 "2 Income Taxes" and IAS 23 "Borrowing Costs". These improvements have no impact on the Group's accounts.

(ii) Change in accounting methods

IFRS 16 "LEASES"

The leases of the Group include contracts related to the rental fleet, real estate leases related to the rental activity in all of the countries in which the Group operates (agencies, desks in airports, preparation areas, car parks) and real estate leases unrelated to the rental business (offices).

Starting January 1, 2019, the Group applied IFRS 16 "leases":

- pursuant to IFRS 16, all the leases (with the exception of the contracts described below) are recorded on the Group balance sheet by the recognition (i) of a fixed asset representing the right of use of the leased item which will be amortized over the rental period selected and (ii) of a debt for future rents;
- on the transition date, the Group decided to apply the modified retrospective approach which consists of recognizing an asset for the right of use equal to the amount of the lease obligations adjusted if necessary by prepaid rents or incentive benefits to be received from the lessor. Also, the comparative information in the first year of application is not restated. The discount rate applied to the rental fleet is the estimated interest rate implicit or that given in the lease contracts with the manufactures or financial institutions. The discount rate applied to real estate contracts are based on the incremental borrowing rate to which is added a spread to take account of country-specific economic environment. The average discount rate for real estate contracts is 4.6% at transition date.

Lease terms include minimum lease terms and any renewal periods provided for in the leases. In France, a nine-year period has most commonly been adopted for property leases. Outside France, lease terms have been assessed on the basis of local law and the expected use of the premises.

The Group has chosen to apply the following simplification measure: rents on real estate and equipment contracts corresponding to an asset with a low unit value or a short-term lease (less than 12 months) are recognized directly as expenses and are consequently not within the scope of IFRS 16. This simplification measure has not, however, been applied for leases related to the fleet of vehicles.

The Group has noted the decisions taken by the IFRS IC on November 26, 2019 concerning the assessment of lease terms for leases renewable by tacit agreement and cancellable leases (with no particular contractual end-date). The IFRS IC confirmed that the enforceable period must be determined, taking an economic view as well as assessing the lease's legal characteristics. The Group is currently analyzing the possible impacts of these decisions.

Given the short duration of vehicle rental contracts granted by the Group as a lessor, they are qualified as simple rental contracts.

The following main contracts have not been registered in the balance sheet of the Group:

- contracts covered by the exemptions above;
- contracts considered as service contracts for which the rent expense is recognized directly as an operating expense in the profit and loss statement;
- contracts considered as substitutable assets when the lessor has the ability to change the location of the leased item without a significant financial contribution. Several contracts within airports are concerned.

Reconciliation between off balance sheet commitments declared under IAS 17 and debt related to lease under IFRS 16 at transition date:

(in thousands of euros)	Fleet and non-fleet
Off Balance Sheet commitments as of December 31, 2018	**660,627**
Lease agreements out of IFRS 16 scope	(52,435)
Exemptions taken by the Group	(13,094)
Off-Balance Sheet commitments reevaluation to be consistent with IFR 16 assumptions	(54,785)
Service part included in the lease amount	(17,672)
Impact of the Discount Rate under IFRS 16 and other	(26,382)
Debt related to leases under IFRS 16 as of January 1, 2019	**496,259**

3

IFRIC 23 "ACCOUNTING FOR UNCERTAINTY OVER INCOME TAX TREATMENTS"

The Group applies IFRIC 23 as of January 1, 2019. IFRIC 23 clarifies the principles of recognition and measurement of tax assets and liabilities when there is uncertainty over income tax treatments.

The Group has chosen to apply the partial retrospective transition method that allows the cumulative impact to be recognized in opening equity for the year in which the interpretation is applied for the first time. The comparative information in the first year of application is not restated.

Uncertain tax liabilities previously disclosed in provisions are reclassified to corporate income tax liabilities.

Quantified impacts and IFRS 16 'Lease Agreements" and IFRIC 23 "Accounting of uncertainty over income tax treatments"

THE FOLLOWING TABLES PRESENT THE IMPACTS OF THE FIRST APPLICATION OF IFRS 16 AND IFRIC 23 ON THE OPENING BALANCE SHEET

(in thousands of euros)	Balance Sheet as published on Dec. 31, 2018	First application of IFRS 16	First application of IFRIC 23	Balance Sheet as of January 1, 2019
Assets				
Goodwill	1,029,845	-	-	1,029,845
Intangible assets	986,016	-	-	986,016
Property, plant and equipment	159,247	366,875	-	526,122
Deferred tax assets	58,209	-	7,653	65,862
Rental fleet recorded in the balance sheet	2,434,448	129,384	-	2,563,832
Other assets [(1)]	1,378,243	-	-	1,378,243
Cash and cash equivalents	448,628	-	-	448,628
TOTAL ASSETS	**6,494,636**	**496,259**	**7,653**	**6,998,548**
Liabilities				
Shareholders' equity	889,867	-	(5,832)	884,035
Provisions	369,368	(1,680)	(1,700)	365,988
Financial liabilities	3,747,200	-	-	3,747,200
Liabilities related to leases	-	497,939	-	497,939
Deferred tax liabilities	173,799	-	-	173,799
Current tax liabilities	23,025	-	15,185	38,210
Other liabilities [(2)]	1,291,377	-	-	1,291,377
TOTAL LIABILITIES	**6,494,636**	**496,259**	**7,653**	**6,998,548**

(1) The other assets include the equity accounted investments, the financial assets current and non-current, the financial instruments non-current, the inventory, the trade and other receivables, the rental fleet and related receivables, the current tax assets.
(2) The other liabilities include the non-current financial liabilities, the other liabilities non-current, the current tax liabilities, the rental fleet related payables, the trade payables and other liabilities.

The following tables present the financial data as of December 31, 2019, isolating the impacts related to the application of IFRS 16 and IFRIC 23:

Impact on consolidated Balance Sheet

(in thousands of euros)	Balance Sheet as of December 31, 2019 before New Standards	Application of IFRS 16	Application of IFRIC 23	**Balance Sheet as of December 31, 2019 as published**
Assets				
Goodwill	1,169,740	-	-	1,169,740
Intangible assets	1,016,084	-	-	1,016,084
Property, plant and equipment	171,544	346,801	-	518,346
Deferred tax assets	119,740	-	-	119,740
Rental fleet recorded in the balance sheet	3,080,646	129,501	-	3,210,147
Other assets [(1)]	1,606,376	-	-	1,606,376
Cash and cash equivalents	643,537	-	-	643,537
TOTAL ASSETS	**7,807,667**	**476,302**	**-**	**8,283,970**
Liabilities				
Shareholders' equity	846,169	(8,346)	-	837,823
Provisions	389,923	-	-	389,923
Financial liabilities	4,806,656	-	-	4,806,694
Liabilities related to leases	-	484,648	-	484,648
Deferred tax liabilities	212,046	-	-	212,046
Current tax liabilities	46,494	-	-	46,494
Other liabilities [(2)]	1,506,341	-	-	1,506,341
TOTAL LIABILITIES	**7,807,667**	**476,302**	**-**	**8,283,970**

(1) The other assets include the equity accounted investments, the financial assets current and non-current, the financial instruments non-current, the inventory, the trade and other receivables, the rental fleet and related receivables, the current tax assets.
(2) The other liabilities include the non-current financial liabilities, the other liabilities non-current, the current tax liabilities, the rental fleet related payables, the trade payables and other liabilities.

Impact on consolidated Profit and Loss

(in thousands of euros)	P&L as of December 31, 2019 before New Standards	Application of IFRS 16	Application of IFRIC 23	**P&L as of December 31, 2019 as published**
Revenue	**3,022,386**	**-**	**-**	**3,022,386**
Fleet holding costs	(806,158)	619	-	(805,539)
Fleet operating costs	(1,044,800)	38,283	-	(1,006,517)
Personnel costs	(522,300)	-	-	(522,300)
Network and head office overhead costs	(314,981)	74,111	-	(240,870)
Non-fleet depreciation, amortization and impairment expense	(47,983)	(103,555)	-	(151,538)
Other income	11,998	-	-	11,998
Current operating income	**298,161**	**9,458**	**-**	**307,619**
Other non-recurring income and expenses	(58,228)	-	-	(58,228)
Operating income	**239,933**	**9,458**	**-**	**249,391**
Net fleet financing expenses	(67,890)	(2,579)	-	(70,468)
Net non-fleet financing expenses	(62,305)	(15,225)	-	(77,529)
Net other financial expenses	(38,895)	-	-	(38,895)
Net financing costs	**(169,089)**	**(17,804)**	**-**	**(186,893)**
Profit/loss before tax	**70,845**	**(8,346)**	**-**	**62,498**
Income tax benefit/(expense)	(32,885)	-	-	(32,885)
NET PROFIT/(LOSS) FOR THE PERIOD	**37,960**	**(8,346)**	**-**	**29,613**

Impact on cash flow Statements

(in thousands of euros)	Cash Flow as of December 31, 2019 before New Standards	Application of IFRS 16	Application of IFRIC 23	**Cash Flow as of December 31, 2019 as published**
Profit/(loss) before tax	**70,845**	**(8,346)**	**-**	**62,498**
Non-fleet amortization and impairment expenses on assets	47,983	103,555	-	151,538
Changes in provisions and employee benefits and other non-cash items	13,331	-	-	13,331
Net financing costs	137,128	17,781	-	154,909
Net cash from operations before changes in working capital	**269,287**	**112,989**	**-**	**382,276**
Change to the rental fleet recorded on the Balance Sheet	(379,895)	48,522	-	(331,373)
Changes in working capital	(17,816)	-	-	(17,816)
Cash generated from operation	**(128,424)**	**161,511**	**-**	**33,087**
Income tax received/paid	(29,919)	-	-	(29,919)
Net interests paid	(135,485)	-	-	(135,485)
Net cash generated from (used by) operating activities	**(293,828)**	**161,511**	**-**	**(132,317)**
Net cash flows from (used in) investing activities	**(180,893)**	**-**	**-**	**(180,893)**
Capital increase (net of related expenses)	11,827	-	-	11,827
Special distribution and dividends paid	(39,479)	-	-	(39,479)
(Purchases)/Sales of treasury shares	(42,402)	-	-	(42,402)
Change in other borrowings	755,170	-	-	755,170
Change in rental debts	-	(161,511)	-	(161,511)
Payment of transaction costs	(8,909)	-	-	(8,909)
Net cash generated from (used by) financing activities	**676,207**	**(161,511)**	**-**	**514,695**
Cash and Cash equivalent at beginning of period	424,986	-	-	424,986
Net increase/(decrease) in cash and cash equivalents after effect of foreign exchange differences	201,486	-	-	201,486
Effect of foreign exchange differences	1,683	-	-	1,683
Cash and Cash equivalent at end of period	**628,155**	**-**	**-**	**628,155**

(iii) Standards and interpretations published, but not yet applicable for the annual period beginning on 1 January 2019:

New standard and interpretation	Main provisions
Amendments to IAS 1 and IAS 8	The amendment to IAS 1 and IAS 8 "Definition of the Meaningful Term" adopted by the European commission on 29 November 2019 is mandatory from 1 January 2020. These amendments clarify the definition of the term "significant" in order to facilitate the exercise of the judgment of whether or not the information is significant and improve the relevance of the information presented in the notes the financial statements.
Amendments to the 'Conceptual Framework'	The amendment to the 'Conceptual Framework', adopted by the European commission on 29 November 2019, is applicable from 1 January 2020. The purpose of this amendment is to replace, in several standards and interpretations, existing references to previous frameworks with references to the revised conceptual framework.
IFRS 17 "insurance contracts"	IFRS 17 "Insurance contracts" published by the IASB on May 18, 2017 will replace IFRS 4 "Insurance contracts", from January 1, 2020. A draft amendment "Exposure Draft ED/2019/4 Amendments to IFRS 17" was published on 26 June 2019. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and investment contracts with discretionary participation. So far, insurance contracts are recorded at historical costs and will be recorded at current value after the application of the standard IFRS 17.

The Group is currently analyzing the possible impacts of these new standards and interpretations.

1.3.3 Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions which impact the amounts presented for existing assets and liabilities in the consolidated statement of financial position, income and expense items in the consolidated income statement, and disclosures in the notes to the consolidated financial statements.

Due to the uncertainty inherent to all measurement processes, these estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The Group formulates assumptions and, on this basis, regularly prepares estimates relating to its various activities. These estimates are based on past experience and factor in the economic conditions prevailing at the reporting date and the information then available. Those economic trends are specifically reviewed on a country-by-country basis.

Depending on changes in assumptions, or in the eventuality of conditions differing from those that were initially expected, amounts recorded in future financial statements may differ from current estimates. Future results may also differ from these estimates.

With respect to the vehicle rental business, estimates specifically cover:

- the residual value of at risk vehicles (see Note 4);
- the fair value of vehicles purchased with a manufacturer or dealer buy-back commitment when badly damaged or stolen (see Note 4);
- the evaluation of the ultimate cost of claims made against the Group for self-funded insured accidents using actuarial techniques generally accepted and used in the insurance industry.

In addition, estimates also cover:

- fair value measurement of assets and liabilities during allocation of the acquisition cost of business combinations;
- the value of non-listed equity investments available for sale (see Note 8.1) and derivative financial instruments recorded at fair value in the Group's statement of financial position (see Note 8.5);
- estimates of future cash flows as part of impairment tests for goodwill recorded in the statement of financial position and capitalized assets including trademarks (see Notes 5.1 and 5.2);
- amounts of deferred taxes that may be recognized in the statement of financial position (see Note 3.7);
- measurement of post-employment benefits and other employee benefits (see Note 9.2);
- provisions for disputes and litigation and valuation of contingent liabilities (see Notes 10 and 6.6.4).

1.3.4 Reclassification of exchange gain/loss in profit and loss

Exchange gains/losses recognized in other comprehensive income are reclassified in profit and loss only in the event of loss of control of subsidiary. A loss of control is defined by the Group as the disposal of an interest in a subsidiary (and not as a decrease in the investment).

1.3.5 Foreign currency translation

(iv) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in euros (€), which is Europcar Mobility Group's functional currency and the Group's presentation currency.

(v) Foreign currency transactions and balances

Transactions in foreign currencies are translated into the functional currency at the foreign exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into euros at the foreign exchange rate at that date. Foreign exchange differences arising on translation of monetary assets and liabilities are recognized in the income statement. Non-monetary assets and liabilities measured at historical cost in a foreign currency are translated using the exchange rate at the transaction date. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into euros at the foreign exchange rate at the fair value measurement date.

(vi) Financial statements of foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated into euros at the foreign exchange rate at the reporting date, while equity is translated at historical rates. The revenues and expenses of foreign operations are translated into euros at weighted average rates. All resulting exchange differences are recognized as Other comprehensive income within equity.

(vii) Exchange rates

The exchange rates used for the years ended December 31, 2019 and December 31, 2018 are:

	December 31, 2019		December 31, 2018	
	Average rate	Closing rate	Average rate	Closing rate
Sterling (GBP)	1.139	1.175	1.130	1.118
Australian Dollar (AUD)	0.621	0.625	0.633	0.617
US Dollar (USD)	0.893	0.890	0.847	0.873
Danish Krone (DKK)	0.134	0.134	0.134	0.134

Source: Banque de France.

Note 2 Changes in scope of consolidation

2.1 Scope of consolidation

Subsidiaries

Europcar Mobility Group's financial statements include the accounts of the parent company Europcar Mobility Group S.A., and those of its subsidiaries for the year ended December 31, 2019.

Subsidiaries are all entities (including special purpose entities), directly or indirectly controlled by Europcar Mobility Group S.A. Control exists when Europcar Mobility Group has the ability to direct an investee's relevant activities, is exposed to variable returns and has the ability to affect those returns through power over an investee. In assessing control, substantive potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. At the acquisition date, Europcar Mobility Group transfers the consideration, acquires the assets and assumes the liabilities of the acquiree.

The assets acquired and the liabilities assumed (including contingent consideration) are valued at fair value at the acquisition date.

Acquisition-related costs are expensed as incurred.

On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interests in an acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. Depending on the nature of the business combination, the Group may elect to use either of these options.

At the acquisition date, is recorded as goodwill the difference between:

- the fair value of the consideration transferred (including contingent consideration), plus non-controlling interests in the acquired company and, where applicable, the acquisition-date fair value of the acquirer's previously held equity interest in the acquired company revalued through profit or loss;
- and the acquisition-date fair value of the identifiable assets required and liabilities assumed.

If the difference arising from the calculation above is negative, it is recognized directly in the income statement.

Accounting policies of subsidiaries are amended where necessary to ensure consistency with the policies adopted by the Group.

Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions between equity owners of the Group. In the case of an additional acquisition of shares in a previously controlled entity, the difference between the consideration paid and the corresponding share acquired in the carrying amount of net assets of the subsidiary is recorded in equity. When the Group ceases to exercise control, any remaining interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss.

The minority shareholders of certain fully consolidated subsidiaries benefit from commitments made by the Group to purchase their shares. In the absence of specific provisions under IFRS, the Group recognizes these commitments as follows: the value of the commitment at the reporting date is recorded in "Other non-current liabilities"; the corresponding non-controlling interests are canceled. In application of IFRS 3 revised and IFRS 10, the corresponding entry for this liability is deducted from equity attributable to non-controlling interests up to the carrying amount of the relevant non-controlling interests and deducted from total equity attributable to the owners of Europcar Mobility Group to cover any additional amounts. The liability is revalued at each reporting date at the current redemption value, i.e. the present value of the exercise price of the put option. Any change in value is recognized in equity. This accounting method has no effect on the presentation of non-controlling interests in the income statement.

Associates

Associates are entities over which the Group has significant influence enabling it to participate in financial and operating policy decisions.

The Group's interests in associates are consolidated using the equity method. The investment is recorded at cost and adjusted for changes subsequent to the transaction in accordance with the investor's share in the net assets of the associate. When the Group's share of losses exceeds its interest in an associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has a legal or implicit obligation to make payments on behalf of the associate.

Partnerships

Joint ventures are entities over whose activities the Group has joint control, established by contractual agreement. The Group's interests in joint ventures are accounted for under the equity method, as is the case for related companies.

The Group does not have any joint activities.

Special Purpose Entities

Special purpose entities (SPEs), such as SecuritiFleet companies, Euroguard, the Protected Cell Insurance & Reinsurance SPE, FCT Sinople and EC Finance plc are consolidated when the relationship between the Group and the SPE indicates that the SPE is in substance controlled by the Group. SPEs are entities which are created to accomplish a specifically defined objective.

2.2 Changes of scope

2.2.1 Main acquisitions and disposals of the year

(i) Acquisition of Finnish and Norwegian franchisees

On May 31, 2019 Europcar Mobility Group acquired 100% of its Finnish and Norwegian franchisees. Through these acquisitions, the Group extends its corporate network from 18 to 20 countries and therefore strengthens its global footprint. These two companies have a strong presence in their respective national markets (n° 1 in Finland and n° 3 in Norway) with a customer base covering both leisure and business markets. Finnish and Norwegian entities are fully consolidated starting July 1, 2019.

The purchase price consists of an upfront payment of 37.8 million euros and a maximum earn-out of 13 million euros subject of the performance of the businesses.

The Finnish and Norwegian entities are fully consolidated from July 1, 2019. Revenues and Adjusted corporate EBITDA achieved since the acquisition date amounted to 29 million euros and 3 million euros respectively. euros.

The purchase price allocation is ongoing and will be effective in the first semester of 2020.

(in thousands of euros)	**Acquirees' carrying value at the acquisition**
Intangible assets	102
Net Property plant and equipment	17,250
Net Rental fleet	21,487
Other assets	11,820
Deferred tax assets	-
Cash	3,007
Current financial liabilities	(38,723)
Deferred tax liabilities	-
Other liabilities	(10,080)
Net assets acquired	**4,863**
Total purchase consideration	**39,286**
Goodwill as of December 31, 2019	**34,423**

(ii) Acquisition de Fox Rent A Car

On October 31, 2019, Europcar Mobility Group acquired 100% of Fox Rent A Car to accelerate its growth by a direct presence in the US, biggest worldwide market. Fox Rent A Car operates a network of 21 corporate stations and 100+ affiliates. It is present in 15 of the country's top 25 airports, with an attractive value for money price positioning, a significant track record of organic growth and a fleet of more than 18,000 vehicles.

The purchase price consists of:

- a cash payment of $20.5 million in consideration for the share capital acquired;
- a transfer of 1,495,572 EMobG treasury shares to the sellers (equal to $5.6 million based on the listing of the EMobG share at October 31, 2019);

- a payment of $13 million into an escrow account to secure the obligations of the vendors in accordance with the provisions of the agreement;
- an initial price adjustment to the working capital requirement as provided in the agreement and estimated at $7.5 million at the acquisition date;
- a maximum earn-out of $10.9 million depending on the performance of the business in 2020 and 2021.

The Fox Rent A Car entities are fully consolidated as from November 1, 2019. The revenue and adjusted corporate EBITDA recorded since the acquisition date totaled 37 million euros and 0.2 million euros, respectively.

The purchase price allocation is ongoing and will be effective in the first semester of 2020.

(in thousands of euros at the exchange rate of the acquisition date)	Acquirees' carrying at the acquisition	Fair value adjustments	**Fair Value**
Intangible assets	3,955	-	3,955
Net Property plant and equipment	4,627	-	4,627
Net Rental fleet	282,729	(49,761)	232,968
Other operating assets	19,078	-	19,078
Other financial assets	12,500	-	12,500
Deferred tax assets	50,766	(10,450)	40,316
Cash	10,314	-	10,314
Current financial liabilities	(300,932)	-	(300,932)
Provisions	(3,367)		(3,367)
Deferred tax liabilities	(50,766)	10,450	(40,316)
Other liabilities	(45,985)	-	(45,985)
Net assets acquired	**(17,082)**	**(49,761)**	**(66,843)**
Total purchase consideration (after the working capital post-closing adjustment)			**33,233**
Goodwill as of December 31, 2019			**100,075**

2.2.2 Main changes in the scope of consolidation and the equity portfolio in 2018

On April 4, 2018, Europcar Mobility Group sold its 25% stake in Car2Go Europe GmbH to Daimler Mobility Services GmbH for an amount of 70 million euros. A net profit of 68.4 euros million was recognized in the income statement.

On April 25, 2018, Europcar Group acquired through its subsidiary Ubeeqo, 100% of Poleis Consulting and their brand Scooty, a Belgian electric scooter sharing start-up founded in 2016.

The investment amounted to 0.1 million euros and the net assets acquired amounted to (0.3) million euros. A transitional goodwill of 0.4 million euros was recognized as of December 31, 2018. Poleis Consulting has been fully consolidated by the Group since May 1, 2018. The acquired business's contribution to the Group's revenue and operating results for the period from the date of acquisition until December 31, 2018 is not significant.

Note 3 Main income statement items

a) Revenues

Revenue includes vehicle rental incomes, fees from the provision of services incidental to vehicle rental (including fuel), and fees receivable from the Europcar franchise network, net of discounts and excluding inter-company sales, VAT and sales taxes.

Revenue from services rendered is recognized proportionally over the period in which the vehicles are rented out based on the terms of the rental contract. The stage of completion is assessed on the basis of the actual service provided (number of days of rental in the accounting period).

When vehicle rental income is generated by intermediaries (such as travel agencies), the gross revenue is recognized in the consolidated income statement when Europcar:

- has the ability to determine the price;
- performs part of the service; and
- has discretion in intermediary selection.

The commission fees are recorded in the Fleet operating, rental and revenue-related costs line item in the income statement (see Note 4.3).

No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due.

The Group has launched a loyalty program covered by IFRIC 13 – Customer Loyalty Programs. This program provides a free weekend rental, or discount coupons, after a certain number of rentals eligible for the program have been accumulated. Once acquired, these benefits may be used at the next rental, and are valid for 12 months.

Given its recent nature, the Group considers that the impacts of applying this standard, consisting of:

considering the benefit accruing to the customer – such as a free weekend of car rental to be used within one year – as a separate component of a sale transaction;

allocating a portion of the initial rental price to this weekend and deferring it until the Group has fulfilled its obligations relating to this weekend are not material.

For this reason, no impact was reported as such in the consolidated financial statements as of the end of December 2019.

b) Other non-recurring income and expenses

ACQUISITION-RELATED EXPENSES

Reorganization expenses include costs incurred in connection with business restructuring carried out to adapt local or corporate organizational structures to changing business conditions. They include headcount reduction expenses, fees related to Group transformation, asset write-offs and transfer costs, early lease termination costs incurred as part of restructuring programs and dispute settlement costs and provisions incurred by the Group.

REORGANIZATION EXPENSES AND OTHER NON-RECURRING COSTS

Reorganization expenses include charges incurred in connection with business restructuring carried out to adapt local or corporate organizational structures to changing business conditions. They include headcount reduction expenses, fees related to Group transformation, asset write-offs and transfer costs, early lease termination costs incurred as part of restructuring programs and dispute settlement costs and provisions incurred by the Group.

Unusual, abnormal and infrequent items are presented separately in "Other non-recurring income and expenses" to provide a clearer picture of the Group's performance.

c) Financial result

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method, dividend income, foreign exchange gains and losses, financing arrangement costs, gains and losses on financial instruments that are recognized in the consolidated income statement, any ineffective portion of the gain or loss on cash flow hedging instruments, and the financial component of pension charges (unwinding of discounts and the expected return on plan assets).

Interest income is recognized in the income statement as it is accrued, using the effective interest method. The interest expense component of finance lease payments is recognized in the income statement using the effective interest rate method.

d) Income tax

Income tax on profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items directly recognized in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, calculated using tax rates enacted or substantially enacted at the reporting date, and subject to any adjustment to tax payable in respect of previous years.

The amount of deferred tax is based on the expected pattern of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the tax asset can be utilized. This probability is assessed based on:

- the existence of temporary differences that will give rise to taxation in the future;
- forecasts of taxable profits.

e) Earnings per share

Basic earnings per share are calculated by dividing net income (attributable to shareholders of the parent company) by the average number of shares outstanding during the year. Treasury shares are not taken into account in the calculation of basic or diluted earnings per share. Diluted earnings per share is calculated by dividing net income attributable to shareholders of the parent company by the average number of common shares outstanding during the period, plus the average number of shares that would have been issued had all outstanding dilutive instruments been converted.

f) Indicators not defined by IFRS

Adjusted corporate EBITDA, defined as recurring operating income after deduction of the interest expense on certain liabilities related to rental fleet financing and before non-fleet depreciation and amortization. See the following tables for a reconciliation of Adjusted corporate EBITDA to the amounts reported in the consolidated income statement.

3.1 Segment reporting and geographical information

3.1.1 Segment reporting information

Since December 31, 2018, the Group is in a position to define and present the following segment information as per IFRS 8:

- **Cars & Vans & International Coverage**: operates the historical car rental activity of the Group with, on one side, its own rental fleet in 18 wholly-owned subsidiaries in Europe and 2 in Australia and New-Zealand; and on the other side, through a partners and franchisees network present both in the countries in which Europcar operates directly ("domestic franchises"), but especially in the other countries ("international franchises");
- **Low-Cost**: activity that offers a car rental offer at low prices with a solid presence in the main tourist sites in Europe. Following the acquisition of Fox Rent A Car in the United States, the Group broadens the presence of the Low-Cost activity in the world's largest market;
- **Urban-Mobility**: activity that develops and deploys new mobility solutions (car-sharing, ride-hailing, cars for drivers (PHV), etc.) thanks to digital platforms specially designed to meet the specific needs of customers.

The Group discloses global reconciliation of its segment reporting and consolidated financial statements under IFRS.

The chief operating decision maker within the meaning of IFRS 8 – Operating segments, is the Group's Management Board.

The Group Management Board regularly reviews the operating and financial performance, which are measured as follows:

- revenue from operations: includes vehicle rental income, territorial fees, other commissions related to the Group's trademarks and billed to franchisees, and fuel sales;
- margin on variable costs (MAVC): corresponds to the total revenue net of fleet holding costs (excluding estimated interest included in operating leases) and costs related to operations, leasing and income from vehicle fleet activities;
- margin after station costs (MASC): corresponds to the margin on variable costs less network operation costs and marketing expenses and fleet financing costs.

Margin after station costs is considered as the most relevant indicator to measure the Group's profitability and is thus followed only at the level of the three operational sectors, as identified above.

In accordance with IFRS 8, the information by operating segments at December 31, 2019 is as follows:

	Twelve months 2019 [1]			
(in thousands of euros)	**Cars, Vans & Icov**	**Low Cost**	**Urban Mobility**	**Total segments**
Vehicle rental income	2,437,030	401,689	-	2,838,719
Other revenue associated with car rental	70,941	8,600	48,959	128,500
Franchising business	54,830	337	-	55,167
Segment revenue	**2,562,801**	**410,626**	**48,959**	**3 022,386**
Fleet holding costs and Fleet operating costs	1,515,797	246,235	51,035	1,812,052
Financial cost included in operating lease	(48,385)	(3,925)	(41)	(52,352)
Margin after variable costs	**1,095,389**	**168,316**	**(2,035)**	**1,262,685**
Personnel costs and network and head office overhead costs	404,223	56,824	9,527	470,573
Reversal of financial cost included in operating lease	48,385	3,925	41	52,352
Net Fleet Financing costs	57,539	12,690	208	70,468
Margin after station costs	**585,242**	**94,877**	**(11,810)**	**669,292**
Headquarter costs				292,601
Non-fleet depreciation and impairment expenses				151,538
Other income and expense				(11,998)
Net fleet financing costs				(70,468)
Current operating income				**307,619**
Reversal of non-fleet depreciation and impairment charges				(151,538)
Net fleet financing expenses				70,468
Adjusted corporate EBITDA				**388,689**

(1) The financial statements as of December 31, 2019 are established by applying IFRS 16 (using the modified retrospective approach without restatement of the previous year).

In accordance with IFRS 8, the information by operating segments at December 31, 2018 is as follows:

(in thousands of euros)	Twelve months 2018			
	Cars, Vars & Icov	Low Cost	Urban Mobility	Total segments
Vehicle rental income	2,372,479	375,556	-	2,748,035
Other revenue associated with car rental	78,325	12,620	35,633	126,578
Franchising business	54,676	-	-	54,676
Segment revenue	**2,505,480**	**388,176**	**35,633**	**2,929,289**
Fleet holding costs and Fleet operating costs	1,472,165	251,650	29,514	1,753,329
Financial cost included in operating lease	(50,892)	(4,288)	-	(55,180)
Margin after variable costs	**1,084,207**	**140,814**	**6,119**	**1,231,140**
Personnel costs and network and head office overhead costs	393,282	58,614	7,676	459,572
Reversal of financial cost included in operating lease	50,892	4,288	-	55,180
Net Fleet Financing costs	56,395	9,408	9	65,812
Margin after station costs	**583,638**	**68,504**	**(1,566)**	**650,576**
Headquarter costs				335,101
Non-fleet depreciation and impairment expenses				44,361
Other income and expense				(11,778)
Net fleet financing costs				(65,812)
Current operating income				**348,704**
Reversal of non-fleet depreciation and impairment charges				(44,361)
Net fleet financing expenses				65,812
Adjusted corporate EBITDA				**327,253**

3.1.2 Disclosure by country and customer segment

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Vehicle rental income	2 838 719	2,748,035
Breakdown of customers by segment		
Leisure	60,8%	59.9%
Business	39,2%	40.1%

3.1.3 Segment information by geographical areas

The Group operates in four main markets: France, Germany, the United Kingdom, and other European countries. Revenue has been identified based on where the rental service is provided. Non-current assets are allocated based on their physical location.

Revenue and non-current assets include items directly attributable to a geographical area as well as those that can be allocated on a reasonable basis. Unallocated items include income and non-current assets related to holding companies and eliminations.

Car rental customers comprise both individuals and corporate customers.

December 31, 2019 *(in thousands of euros)*	**France**	**United Kingdom**	**Germany**	**Other European countries**	**Rest of the world** [(2)]	**Unallocated items**	**Total**
Revenue from external customers	419,598	388,539	794,418	1,200,872	188,921	30,038	3,022,386
Non-current assets [(1)]	87,012	126,221	280,236	932,026	255,703	1,217,617	2,897,815
Goodwill	*93,282*	*94,970*	*236,898*	*561,517*	*126,116*	*56,957*	*1,169,740*

December 31, 2018 *(in thousands of euros)*	France	United Kingdom	Germany	Other European countries	Rest of the world [(2)]	Unallocated items	Total
Revenue from external customers	413,429	390,711	755,595	1,186,970	152,524	30,060	2,929,289
Non-current assets [(1)]	40,722	80,450	202,358	772,381	33,158	1,171,804	2,300,873
Goodwill	*93,875*	*91,945*	*235,364*	*525,613*	*26,321*	*56,727*	*1,029,845*

(1) The non-current assets presented in "Unallocated items" primarily reflect trademarks.
(2) The rest of the world primarily corresponds to Australia and New Zealand.

3.1.4 Revenue of Business Units

(in thousands of euros)	**Twelve months 2019**					
	Cars	**Vans**	**Low Cost**	**Urban Mobility**	**Icov**	**Total**
Segment revenue	2,157,372	365,689	410,626	48,959	39,740	3,022,386

(in thousands of euros)	Twelve months 2018					
	Cars	Vans	Low Cost	Urban Mobility	Icov	Total
Segment revenue	2,121,575	344,211	388,176	35,633	39,694	2,929,289

3.2 Network and head office overhead costs

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Network costs [(1)]	(54,937)	(119,896)
IT costs	(52,088)	(49,250)
Telecom costs	(10,588)	(9,994)
Head office costs	(90,676)	(83,794)
Sales and marketing costs	(32,582)	(31,403)
TOTAL NETWORK AND HEAD OFFICE OVERHEAD COSTS	**(240,870)**	**(294,337)**

(1) In 2019, network costs include only network overheads. In 2018, these costs include the rental charges and the network overheads.

3.3 Non-fleet amortization, depreciation and impairment expense

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Amortization of intangible assets	(25,198)	(23,939)
Depreciation of property, plant and equipment (1)	(125,747)	(20,422)
Impairment expense	(593)	-
TOTAL AMORTIZATION, DEPRECIATION, AND IMPAIRMENT EXPENSE	**(151,538)**	**(44,361)**

(1) Includes the impacts of the first application of IFRS 16 standard. Refer to Note 1.3 of this document.

3.4 Other income and expense

This category includes net income related to certain commercial agreements, the release of provisions and other items.

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Contractual income	364	1,829
Release of surplus provisions	524	1,334
Foreign exchange gains/(losses) on operating activities	3,893	3,960
Gains (losses) on the disposal of property, plant and equipment	587	255
Other items, net	6,630	4,400
TOTAL OTHER INCOME AND EXPENSE	**11,998**	**11,778**

3.5 Other non-recurring income and expenses

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Reorganization charges	(37,605)	(22,403)
Inc.: Reorganization – redundancy expenses	*(12,429)*	*(10,953)*
Reorganization and transformation expenses	*(25,176)*	*(11,450)*
Disputes	(3,149)	(8,275)
Merger and Acquisitions costs and integration costs	(4,298)	(12,039)
Other (1)	(13,176)	63,091
Total other non-recurring expense	**(20,623)**	**42,777**
TOTAL OTHER NON-RECURRING INCOME AND EXPENSES	**(58,228)**	**20,374**

(1) In 2018 including 68 million euros related to the profit on disposal of Car2Go.

3.6 Net financing costs

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Net fleet financing expenses (1)	(70,468)	(65,812)
Net other financing expenses (1)	(77,529)	(64,366)
Gross financing costs	**(147,997)**	**(130,178)**
Expense on derivative financial instrument	(2,263)	(6,240)
Amortization of transaction costs	(16,448)	(16,577)
Foreign exchange gain or losses	2,435	350
Cost of discounting social commitments	(2,271)	(2,003)
Other (2)	(20,349)	(21,725)
Other financial expenses	**(38,895)**	**(46,195)**
NET FINANCING COSTS	**(186,893)**	**(176,373)**

(1) Includes the impacts of the first application of IFRS 16 standard. Refer to Note 1.3 of this document.
(2) In 2019, 8.6 million euros related to the payment of a redemption premium following the early repayment of the existing 600 million euros of bonds bearing interest at 5.750% and maturing in 2022. Including in 2018, 8 million euros related to the impairment of the non-consolidated investment in Snappcar.

For the year ended December 31, 2019, the total interest expense on financial liabilities at amortized cost amounted to 140.6 million euros (December 2018: 130.7 million euros) and the total interest income on financial assets at amortized cost amounted to 10.4 million euros (December 2018: 0.5 million euros).

3.7 Income tax expense

3.7.1 Tax in the Income statement

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Current tax (1)	(42,535)	(42,019)
Deferred tax	9,650	(9,949)
TOTAL INCOME TAX EXPENSE	**(32,885)**	**(51,968)**

(1) Including 13.2 million euros related to CVAE in France, Trade Tax in Germany and IRAP in Italy.

The theoretical tax expense based on EMobG's statutory tax rate (i.e., the standard corporate income tax rate in France of 33.33% to which is added the corporate income tax social security contribution of 3.3% on the amount of corporate income tax above 763,000 euros) can be reconciled to the tax expense reported in the income statement as follows:

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Profit/loss before tax	**62,498**	**192,705**
Statutory tax rate	34,43%	34.43%
Theoretical tax	**(21,518)**	**(66,348)**
Impact of differences in tax rates (1)	10,200	17,004
Permanent differences (2)	(23,567)	26,960
Capitalization of losses and temporary differences that were formerly not recognized	17,050	5,957
Unrecognized deferred tax assets (3)	(1,901)	(22,108)
Impact of French business contribution on added value (CVAE), Italy's regional tax on productive activities (IRAP) and German Trade Tax	(13,176)	(17,766)
Other (4)	27	4,334
INCOME TAX BENEFIT/(EXPENSE)	**(32,885)**	**(51,968)**
Effective tax rate	(52,62)%	(26.97)%

(1) In 2019, 2.3 million euros related to the profit transferred by the German entity OHG and 3.6 million euros related to Portugal.
(2) Includes in 2019, (21) million euros attributable to the tax consolidation profit in France. In 2018, 21 million euros were related to the capital gain of Car2Go disposal.
(3) In 2018 mainly related to unrecognized deferred tax assets in France (10 million euros) and in Spain (7 million euros).
(4) In 2018, 5 million euros adjustments over previous years mainly in the UK.

3.7.2 Deferred taxes in the consolidated balance sheet

(iii) Deferred tax assets and liabilities and temporary differences recognized during the period

(in thousands of euros)	January 1, 2019	Impact of changed method [1]	January 1, 2019 adjusted	Impact of acquisitions	Recognized in income statement	Fair value adjustment in OCI	Translation reserve and Reclassifi-cation	December 31, 2019
Property, plant and equipment	(4,962)	-	(4,962)	-	(318)	-	(68)	(5,348)
Intangible assets	(276,439)	-	(276,439)	-	1,134	-	(32)	(275,337)
Rental fleet	(14,179)	-	(14,179)	(40,316)	(4,408)	-	409	(58,493)
Investments in subsidiaries	2,998	-	2,998	-	-	-	-	2,998
Other financial assets	1,627	-	1,627	-	156	-	-	1,783
Receivables and other assets	10,829	-	10,829	-	1,661	-	13	12,503
Prepaid and deferred charges	3,290	-	3,290	-	(152)	-	123	3,262
Employee benefits	9,169	-	9,169	-	(2,343)	6,361	145	13,332
Deferred income	9,427	-	9,427	-	279	-	-	9,706
Provisions	24,232	1,581	25,813	2,375	2,942	-	(8)	31,122
Derivative liabilities	151	-	151	-	(75)	-	-	76
Other debt	(4,433)	5,947	1,513	21,106	2,758	-	(1,593)	23,784
Tax losses carried forward	(122,699)	-	(122,699)	16,634	8,016	-	757	148,306
Deferred tax assets/(liabilities)	**(115,591)**	**7,528**	**(108,062)**	**-**	**9,650**	**6,361**	**(254)**	**(92,306)**
Deferred tax assets	**58,209**	**-**	**67,737**	**-**	**-**	**-**	**-**	**119,740**
Deferred tax liabilities	**(173,799)**	**-**	**(173,799)**	**-**	**-**	**-**	**-**	**(212,046)**

(1) Change in accounting methods related to the first-time adoption on 1 January 2019 of IFRIC 23, described in Note 1.3 "Significant accounting policies".

(in thousands of euros)	January 1, 2018	Reclassification	Changes in scope of consolidation	Recognized in income statement	Fair value adjustment in OCI	Translation reserve	December 31, 2018
Property, plant and equipment	(4,916)	-	(4,916)	(57)	-	11	(4,962)
Intangible assets	(237,111)	(40,201)	(277,312)	868	-	5	(276,439)
Rental fleet	(15,716)	981	(14,735)	161	-	395	(14,179)
Investments in subsidiaries	71	-	71	2,927	-	-	2,998
Other financial assets	2,432	-	2,432	(779)	-	(26)	1,627
Receivables and other assets	7,779	-	7,779	3,052	-	(2)	10,829
Prepaid and deferred charges	2,983	-	2,983	310	-	(3)	3,290
Employee benefits	11,054	-	11,054	(4,558)	2,699	(26)	9,169
Deferred income	10,445	-	10,445	(1,019)	-	1	9,427
Provisions	22,632	1,825	24,457	(225)	-	-	24,232
Derivative liabilities	29	-	29	122	-	-	151
Other debt	(4,462)	714	(3,748)	(753)	-	68	(4,433)
Tax losses carried forward	132,734	-	132,734	(9,998)	-	(37)	(122,699)
Deferred tax assets/(liabilities)	**(72,046)**	**(36,681)**	**(108,727)**	**(9,949)**	**2,699**	**387**	**(115,591)**
Deferred tax assets	**56,757**	**-**	**60,277**	**-**	**-**	**-**	**58,209**
Deferred tax liabilities	**(128,803)**	**-**	**(169,004)**	**-**	**-**	**-**	**(173,799)**

Aside from the French tax group, on which a portion of tax losses have been recognized as deferred tax assets for 50% of the amount of the deferred tax liabilities related to the Europcar trademark, the other deferred tax assets recognized must be used within five years.

(iv) Unrecognized deferred tax assets

Deferred tax assets are recognized up to the amount of available deferred tax liabilities and recoverability projections derived from business plans.

(in millions of euros)	**Twelve months 2019**	Twelve months 2018
Relating to temporary differences	48,796	40,712
Relating to tax losses carried forward [(1)]	160,271	117,997
Total of unrecognized deferred tax assets	**209,067**	**158,710**

(1) Unrecognized deferred tax assets are primarily in France (116 million euros in 2019 and 97 million euros in 2018), in Spain (39 million euros in 2019 and 37 million euros 2018) and Italy (20 million euros in 2019 and 2018).

All tax losses, including Spain since 2015, may be carried forward indefinitely. Certain tax jurisdictions (for example France, Spain, Italy) may cap the use of tax losses according to a percentage defined by tax laws which may be modified each year.

3.8 Earning per shares

Basic and diluted losses per share are based on the profit attributable to shareholders of common stock, representing a profit of 29.6 million euros at December 31, 2019 (profit of 139.5 million euros at December 31, 2018) and on the weighted average number of common shares during the year (excluding shares that could be issued given their anti-diluting effect), calculated as follows:

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Loss attributable to ordinary shareholders	29,633	139,498
Average number of shares outstanding	163,884,278	161,030,883
Earnings per share in euros	0,181	0.866
Diluted earnings per share in euros	0,179	0.859

The potential number of diluting shares was 1,732,181 (corresponding to the free shares) at December 31, 2019 and 1,450,767 at December 31, 2018.

Note 4 Fleet of vehicles

a) Rental fleet recorded in the balance sheet

The Group operates a large fleet which is either acquired (with or without a buy-back clause) or held under rental contracts concluded with manufacturers, car dealers or financial institutions.

The accounting treatment is detailed below, regardless of the accounting treatment applied, the fleet is recognized in current assets "Fleet entered in the balance".

(i) Vehicles acquired with buy-back clause by the manufacturer or the dealer (so-called "buy-back" vehicles)

One of the specific features of the automotive industry is the purchase or sale of vehicles under contracts with a buy-back clause by the manufacturer or the dealer after a predetermined period and generally less than 12 months.

These vehicles do not meet, for the Group, the definition of a tangible asset within the meaning of IAS 16 insofar as:

- the Group does not have control of the vehicle since it cannot resell it;
- the contract only grants him the right to use the asset over a given period; and
- that this asset retains a significant part of its value at the time of its acquisition by the manufacturer.

On the other hand, this type of contract can be analyzed from the accounting point of view as prepaid rental contracts, falling within the scope of IFRS 16.

This accounting method is consistent and symmetrical with the recognition adopted by manufacturers, which consider the risks and rewards of ownership not to have been transferred since they retain the residual risk on the asset's value and since this risk is significant.

The acquisition cost of the vehicles (net of volume rebates) is recorded against two distinct current assets:

- the "Vehicle buy-back agreement receivable", representing the contractual buy-back price (the obligation of the manufacturer or dealer); these repurchase prices for buy-back vehicles are determined (subject to adjustments depending upon the condition of the vehicles, their mileage and the holding period) according to (i) a predefined percentage of the original vehicle price and the month in which the vehicle is repurchased, or (ii) the original capitalized price less a set economic depreciation amount. This receivable is depreciated in the event of theft of the vehicle, or in the event of a seriously damaged vehicle, in the latter case, on the basis of expert opinions carried out by third parties;

- the right of use ("Deferred depreciation expense on vehicles"), representing the difference between the acquisition cost of the vehicle and the contractual buy-back price. This asset is depreciated through the income statement on a straight-line basis over the contractual holding period of the vehicle. Given the duration of these assets, the Group recognizes these vehicles as current assets at the start of the contract.

There is no rental debt, the vehicles being fully prepaid.

(ii) Fleet held under lease contracts with manufacturers, car dealers or financial institutions:

The operated fleet can be financed through rental contracts concluded with financial institutions or the financing divisions of car manufacturers. These leases fall within the scope of IFRS 16.

Lease contracts are therefore recognized in the balance sheet as a right of use on the leased asset and a financial debt in respect of rents and other payments to be made during the lease term used to assess the rental debt.

The Group has chosen, as indicated in Note 1.3.2, to record in the balance sheet all of its fleet rental contracts, whatever their duration, and has therefore not retained the exemption relating to short-term contracts (less than 12 months) for this asset class.

The interest charge relating to the financial debt and the amortization charge for the right of use are charged separately to the income statement:

- The right of use is amortized on a straight-line basis over the duration of the rental contract and recognized in the income statement under the heading "Fleet holding costs";
- The financial debt is amortized actuarially over the duration of the lease under the "Net fleet financing expenses" in the financial result.

(iii) Vehicles acquired without a buy-back clause by the manufacturer or the dealer ("at risk" vehicles)

The so-called "at risk" vehicles are vehicles acquired without a buy-back clause by the car manufacturer or car dealer, and the risk of residual value of which is therefore borne by the Group. Vehicles are initially valued at cost, including import duties, non-refundable purchase taxes and any costs directly attributable to the transfer of the vehicle to the rental location and its condition to allow its rental. Upon acquisition, "at risk" vehicles are depreciated on a straight-line basis over the planned holding period and their projected residual value. The residual value of the vehicles is regularly examined during the holding period in the light of second-hand market conditions and adjusted if necessary.

In most cases, the duration of detention of a vehicle does not exceed 12 months. For utilities and trucks, the holding period can range from 12 to 24 months. Consequently, although "at risk" vehicles are in the nature of tangible fixed assets, the Group classifies these vehicles on the balance sheet under current assets under "Fleet entered in the balance sheet".

b) Fleet holding costs:

Fleet holding costs include:

- vehicle costs such as the costs related to rental fleet agreements with car manufacturers or with fund lenders through the recognition of vehicle depreciation charges;
- taxes relating to the vehicle fleet; and;
- costs incurred for the purchase or sale of vehicles.

Costs related to rental fleet agreements mainly consist of the vehicle depreciation expenses, net of rebates (see Note 3.3).

Costs related to the acquisition and disposal of vehicles include the cost of vehicle accessories and costs relating to the conditioning of new vehicles and the disposal of used cars.

c) Fleet operating costs

Fleet operating costs correspond to costs incurred during the fleet operating cycle under:

- reconditioning;
- repairs;
- maintenance;
- impairment of badly damaged and wrecked vehicles, thefts; and
- insurance.

Rental costs include fuel, vehicle transfers, vehicle washing, etc. Costs related to revenue from ordinary activities include commissions, and airport and rail station fees, etc.

d) Receivables and payables related to the fleet:

Trade receivable related to fleet are composed of:

- fleet receivables due by car manufacturers or dealers repurchasing the vehicles after the vehicle has been returned to the car manufacturer at the end of the holding period (buy-back agreements). The fleet receivables are recorded at fair value, which corresponds to their nominal value. These receivables fall due within one year and are impaired if their carrying amount is greater than the estimated recoverable amount;
- the full amount of the Group's VAT receivables, since the major portion of these are fleet-related.

Rental fleet payables are amounts due to car manufacturers or dealers. These payables are recorded at fair value and fall due within one year. Rental fleet related payables include the full amount of the Group's VAT payables, since the major portion of the Group's VAT payables is fleet related.

4.1 The fleet of vehicles recorded in the balance sheet

The fleet of vehicles operated by the Group is acquired and financed in various ways. The table below presents the breakdown between these different methods for the 2019 and 2018 financial years:

	Type of acquisition and financing % of total volume	
Type of acquisition and financing % of total volume	**2019**	2018
Vehicles held with buy-back clause from manufacturers (so-called buy-back vehicles)	45%	41%
Vehicles held under lease contracts (right of use)	41%	48%
Total "buy-back" fleet and right to use the leased vehicles	**86%**	**89%**
Vehicles acquired without a buy-back clause from car manufacturers or dealers ("at risk" vehicles)	14%	11%
TOTAL VEHICLE FLEET	**100%**	**100%**

The fleet on the balance sheet breaks down as follows:

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Right of use ("Deferred depreciation of vehicles")	654,354	357,968
Receivables from vehicle buyback contracts	1,406,533	1,420,070
Fleet purchased with buy-back contracts financed on-balance sheet ("buy-back" vehicles)	**2,060,886**	**1,778,038**
Right to use leased vehicles (2019)/Leased vehicles (2018)	251,594	101,911
Vehicles held without buy-back clause from automakers or car dealers ("at risk" vehicles)	897,666	554,499
TOTAL FLEET OF VEHICLES ON THE BALANCE SHEET	**3,210,147**	**2,434,448**

The fleet is presented net of depreciation or provisions for depreciation of 12.8 million euros (2018: 8.9 million euros) established for stolen or damaged vehicles.

4.2 Fleet holding costs

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Fleet operating lease expenses (1)	-	(339,336)
Net Fleet depreciation (2)	(674,999)	(329,254)
Other fleet holding costs (3)	(130,540)	(94,438)
TOTAL FLEET HOLDING COSTS	**(805,539)**	**(763,027)**

(1) In 2018, the rental expense was related to operating leases. The off-balance sheet rental commitments in respect of rental fleets operated under operating leases are presented in Note 6.
(2) In 2018, the depreciation expense related to vehicles subject to manufacturer or dealer buy-back agreements and "at-risk" vehicles.
In 2019, the depreciation expense related to:
– vehicles subject to manufacturer or dealer buy-back agreements and "at-risk" vehicles;
– the rights to use vehicles in accordance with IFRS 16.
(3) Other fleet holding costs include
– the costs related to the acquisition and disposal of vehicles for 62 million euros (costs for vehicle accessories and the conditioning of new vehicles and the sale of used cars);
– taxes on vehicles for 58 million euros.

4.3 Fleet operating costs

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Fleet operating costs (1)	(347,056)	(337,379)
Commissions and fees assimilated to income from ordinary activities (2)	(372,839)	(375,054)
Of which: allowance for doubtful accounts and accounts recognized as losses	(26,060)	(16,561)
Rental costs (3)	(286,622)	(277,869)
TOTAL FLEET OPERATING COSTS	**(1,006,517)**	**(990,302)**

(1) Fleet operating costs mainly comprise insurance, repair and maintenance costs as well as the costs incurred for damaged and stolen cars and for the reconditioning of vehicles before they are repurchased by the car manufacturers or dealers.
(2) Ordinary revenue-related costs include commissions for agents and travel agents, and airport and railway concession fees.
(3) Rental-related costs include vehicle transfer costs incurred during the holding period, vehicle washing costs and fuel costs.

4.4 Receivables and payables related to the rental fleet

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Fleet receivables	826,695	650,315
VAT receivables (1)	139,728	103,055
Rental fleet and related receivables	966,423	753,370

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Vehicle fleet related debts	711,802	566,970
VAT debts (1)	101,327	77,199
RENTAL FLEET AND RELATED RECEIVABLES	**813,128**	**644,169**

(1) VAT receivables mainly concern acquisitions and sales of vehicles.

The change in working capital requirements related to the rental fleet is detailed below:

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Fleet receivables	(153,908)	(31,281)
VAT receivables	(35,635)	(23,438)
Payables related to fleet acquisition	140,825	28,972
VAT payables	20,765	(25,409)
CHANGES TO THE NEED FOR CASH FLOW LINKED TO THE VEHICLE FLEET	**(27,953)**	**(51,156)**

Note 5 Goodwill, tangible and intangible assets

a) Goodwill

Goodwill recognized in local currency, which is not amortized, is subject to an impairment test every year or more frequently when a triggering event occurs (indication of impairment). For the purpose of the impairment test, goodwill is allocated to cash-generating units or groups of cash-generating units which are expected to benefit from the business combination that gave rise to goodwill.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Goodwill is allocated by operating segment and within the vehicle rental business segment, by country.

The recoverable amount of a cash-generating unit is the higher of its fair value less costs to sell and its value in use, determined using the discounted method of future cash flows which will be generated by these assets or by some other more appropriate method. When the recoverable value is lower than the book value, an impairment loss is recognized in the income statement. The impairment loss is first recorded as an adjustment to the carrying amount of the goodwill allocated to the cash-generating unit and the balance of the loss is, if necessary, allocated proportionately to the other long-lived assets of unit.

Goodwill arising from acquisitions of associates is included in "Investments in associates" and the overall amount of goodwill is subject to an impairment test.

Impairment losses related to goodwill are recognized under the heading "Impairment losses", refer to the Note 3.3.

b) Intangible assets

Intangible assets other than goodwill mainly correspond to brands and licenses, contractual relationships with customers, acquired software licenses and capitalized development projects.

TRADEMARKS AND LICENSES

Brands with an indefinite useful life

The Europcar brand, with an indefinite useful life, is carried at cost and is not amortized. However, it is subject to an annual impairment test according to the method of net settlement of fees.

Following the acquisition of the Buchbinder Group in 2017, the Buchbinder, Global and Megadrive brands were identified and valued using the "relief from royalty" method. They are considered to have an unlimited lifespan.

Following the acquisition of the Goldcar Group in 2017, the Goldcar brand was identified and valued using the "relief from royalty" method. It is considered to have an unlimited lifespan.

Impairment losses related to brands are recognized under "Other non-current income and expenses" in the income statement.

Brands with a fixed useful life

Brands and licenses with a fixed useful life are recorded at cost less the accumulated depreciation. They are amortized on a straight-line basis, in order to distribute their cost as a constant charge over their useful life or over the duration of the underlying contract (10 years). They are subject to an impairment test when a triggering event occurs (indication of impairment).

The Group does not own any brands with fixed useful lives.

CONTRACTUAL RELATIONSHIPS WITH CLIENTS

Contractual relationships with customers that are acquired as part of a business combination are amortized over the useful life of the relationships. The valuation method is carried out on the basis of the expected surplus profits. These are subject to an impairment test in the event that management identifies an indication of impairment of these assets.

SOFTWARE AND OPERATING SYSTEMS

Software licenses acquired are capitalized based on the costs incurred for their acquisition and commissioning. These costs are amortized over the estimated useful life of the software (see below). Costs associated with software development and maintenance are expensed as incurred. The costs directly associated with the development of identifiable and unique software controlled by the Group, and likely to generate economic benefits greater than the costs incurred over a period of more than one year, are recognized in fixed assets. The costs include the expenses of the personnel assigned to the development of the software, as well as a share of the general costs directly attributable to the development of the software.

Software development costs recognized as assets are amortized over the estimated useful life of the software (see below).

OTHER INTANGIBLE ASSETS

Other intangible assets acquired by the Group are valued at cost less accumulated depreciation (see below) and impairment losses. They include the right to use brands acquired as part of a business combination.

AMORTIZATION

Intangible assets are amortized on a linear basis from the date of their entry into service. The estimated useful lives are as follows:

- brands with a fixed useful life: 10 years;
- right to lease: 10 years;
- software: 3 years;
- Operating systems: 5 to 10 years.

c) Property, plant and equipment

OWN ASSETS

Tangible fixed assets appear on the balance sheet at historical cost, after deduction of the accumulated amount of depreciation and impairment.

When the components of an item of property, plant and equipment have different useful lives, they are recognized as separate property, plant and equipment and depreciated over the useful life of each component. Repair and maintenance costs are expensed as incurred.

LEASED ASSETS

The leased assets correspond to:

- real estate contracts linked to the rental activity in all the countries in which the Group operates (agencies, airport desks, preparation areas, car parks); and
- property contracts not related to the rental activity (offices).

In application of IFRS 16, leases are recognized in the balance sheet in the form of a right of use on the leased asset and a financial debt in respect of rents and other payments to be made during the term of the lease. rental retained to assess the rental debt.

The right of use is amortized on a straight-line basis, and the financial debt is amortized actuarially over the duration of the lease. The interest charge relating to the financial debt and the amortization charge for the right of use are charged separately to the income statement.

The Group applied simplification measures and identified certain contracts excluded from the scope of IFRS 16 (see Note 1.3 "Accounting principles and methods"). These contracts are recognized directly as expenses.

SUBSEQUENT COSTS

The Group includes in the book value of a tangible fixed asset the cost of replacing part of this fixed asset when this cost is incurred, it is likely that the future economic benefits associated with this element will benefit the Group and that the cost of this item can be measured reliably. All other costs are expensed in the income statement as incurred. Repair costs and interest on loans are recognized in current expenses.

AMORTIZATION

Land is not depreciated. The following assets are amortized on a linear basis.

The estimated useful lives are as follows:

- constructions: 25 to 50 years;
- technical installations and machines: 6 to 12 years;
- other office equipment, materials and furniture, including specific tools: 3 to 15 years.

The useful life is reviewed once a year.

5.1 GOODWILL

(in thousands of euros)	Gross value	Impairment loss	Fair value
Balance at January 1, 2018	**1,332,583**	**(193,790)**	**1,138,793**
Buchbinder and Goldcar acquisition price allocation update	(107,112)	-	(107,112)
Adjusted balance as of January 1, 2018	**1,225,471**	**(193,790)**	**1,031,681**
acquisitions	409	-	409
Various	(243)	-	(243)
Effect of exchange rate fluctuations	(2,979)	977	(2,002)
Balance at December 31, 2018	**1,222,658**	**(192,813)**	**1,029,845**
Balance at January 1, 2019	**1,222,658**	**(192,813)**	**1,029,845**
Acquisitions (1)	137,553	-	137,553
Various	-	(593)	(593)
Effect of exchange rate fluctuations	3,666	(731)	2 935
Balance at December 31, 2019	**1,363,877**	**(194,137)**	**1,169,740**

(1) Of which in 2019, 34.4 million euros related to the acquisition of the Finnish and Norwegian franchisees and 100.1 million euros in connection with the acquisition of Fox Rent A Car.

5.1.1 Annual impairment test

In accordance with IAS 36, "Impairment of Assets", the Group performed an annual impairment test of goodwill. The Group develops and internally validates three-year business plans for each of its geographic sectors. For the purpose of the impairment test, these three-year plans are increased to five years. The 2020 budget and the 2021 & 2023 plan were built taking into account (i) economic growth forecasts in the countries where the Group operates, (ii) current macroeconomic data for each country, (iii) forecasts growth in air traffic, (iv) changes in the vehicle rental market (s) and competitive pressure, and (v) projects, new products under development. Beyond 2023, the assumed growth in turnover is cautious with a stable profitability rate. The rights of use and the related liabilities relating to the application of IFRS 16 are included in the carrying amount of the cash-generating units.

The Group considers that each country corresponds to a cash-generating unit. When carrying out the impairment tests, the Group takes into account the cash flows arising from the adjusted EBITDA and uses the following assumptions which are the same as those of the previous year:

- EBITDA adjusted according to the three-year plan;
- The valuation of the terminal value of each cash-generating unit is based on a long-term growth rate of 2%;
- The weighted average cost of capital is applied to the cash flows of each cash-generating unit on the basis of a risk-free interest rate (average over a 5-year period) corresponding to the risk-free rate of ten-year German bonds years, adjusted for a risk premium for each country.

5.1.2 Goodwill of rental activities held by the Group, analyzed by cash-generating unit

The Group has defined new operational segments in accordance with IFRS 8 following the implementation of its new organization (see Note 3). This new definition of operational segments had no impact on the definition of Cash Generating Units.

(in thousands of euros)	Germany	UK	France	Others	Total Cars, Vans & Trucks, ICov	Total LowC	Ubeeqo	Others	Total MOBI	Total Group
Balance at December 31, 2017	**180,325**	**81,910**	**93,769**	**234,645**	**590,649**	**505,274**	**29,748**	**13,122**	**42,870**	**1,138,793**
Buchbinder and Goldcar acquisition price allocation update	-	-	-	(13,977)	(13,977)	(93,135)	-	-	-	(107,112)
Balance at January 1, 2018 adjusted	**180,325**	**81,910**	**93,769**	**220,668**	**576,672**	**412,139**	**29,748**	**13,122**	**42,870**	**1,031,681**
Acquisition	-	-	-	-	-	-	-	409	409	409
Transfer/price adjustment	-	-	-	-	-	-	-	(59)	(59)	(59)
Other	-	-	-	(5)	(5)	-	-	(179)	(179)	(184)
Currency fluctuations	-	(408)	-	(1,508)	(1,917)	-	-	(85)	(85)	(2,002)
Balance at December 31, 2018	**180,325**	**81,502**	**93,769**	**219,154**	**574,746**	**412,139**	**29,748**	**13,207**	**42,955**	**1,029,845**
Balance at January 1, 2019	**180,325**	**81,502**	**93,769**	**219,154**	**574,746**	**412,139**	**29,748**	**13,207**	**42,955**	**1,029,845**
Acquisition	-	-	-	34,423	34,423	100,077	3,053	-	3,053	137,553
Transfer/price adjustment	-	-	-	-	-	-	-	-	-	-
Other	-	-	(593)	-	(593)	-	-	-	-	(593)
Currency fluctuations	-	2,918	-	493	3,411	(641)	165	-	165	2,935
Balance at December 31, 2019	**180,325**	**84,420**	**93,176**	**254,070**	**611,987**	**511,575**	**32,966**	**13,207**	**46,173**	**1,169,740**

5.1.3 Weighted average cost of capital

	France	Germany	Italy	Spain	UK	Belgium	Portugal	Australia	Ireland	Denmark
WACC	5.38%	5.06%	6.98%	6.12%	6.40%	6.42%	8.28%	6.82%	7.42%	6.35%

The terminal value is based on normalized and discounted cash flows over an indefinite period, assuming a long-term growth rate of 2%. The risk-free interest rate is based on the risk-free interest rate of German bonds with a 10-year maturity (average over a 5-year period), adjusted for a risk premium for each country, and whose credit risk premium corresponds to a rating of BB.

The Group considers that the weighted average cost of capital should be based on a historical share risk premium of 5.5% in order to reflect the long-term assumptions used for the impairment tests.

The debt ratio used to calculate the weighted average cost of capital is based on the average annual ratio of net debt to equity, published quarterly by comparable companies.

5.1.4 Sensitivity analysis

Goodwill has been subject to an impairment test by the Company as described in the Note 5.1.1.

Europcar has not identified any likely scenario to suggest that the recoverable amount of a cash-generating unit could be less than its carrying amount in any country. The sensitivity analysis relating to the assumptions used to perform the tests shows that no impairment would be noted in the case of:

- 1-point increase in the discount coefficient;
- 1-point decrease in the long-term growth rate;
- 5% decrease in adjusted corporate EBITDA.

In 2016, the choice of the United Kingdom to leave the European Union (the "Brexit") generates uncertainties which could contribute to volatility in the value of the pound sterling or the euro and have adverse effects on activity of the Group in the United Kingdom. The terms for implementing Brexit and the consequences of its implementation were not known as of December 31, 2019.

The Group estimated that on the Cash Generating Unit in the United Kingdom within the Cars, Vans & International Coverage operating segment:

- an increase of 1 point in the discount coefficient would generate a reduction in the enterprise value of £25 million, without generating an impairment;
- a 1-point decrease in the long-term growth rate would reduce the enterprise value by £21 million, without generating an impairment;
- a 5% decrease in the adjusted Corporate EBITDA from 2019 would reduce the value of the Company by £8 million, without generating an impairment.

5.2 Intangible assets

(in thousands of euros)	Trademarks	Software, operating systems	Customer relationship	Intangible assets in progress	Lease-hold rights	Total
Gross values						
Balance at January 1, 2018	**786,554**	**272,672**	**3,968**	**54,866**	**1,775**	**1,119,835**
Adjustment on purchase price allocation of Buchbinder and Goldcar [1]	117,800	7,100	31,531	-	-	156,431
Balance at January 1, 2018 adjusted	**904,354**	**279,772**	**35,499**	**54,866**	**1,775**	**1,276,266**
Changes in scope of consolidation	-	(82)	-	-	8	(74)
Other acquisitions	5	14,156	-	32,439	1	46,601
Disposals	-	(1,537)	-	(668)	(31)	(2,236)
Transfers	1,607	33,228	-	(31,942)	(251)	2,642
Effect of movements in foreign exchange rates	(419)	(221)	-	-	-	(640)
Balance at December 31, 2018	**905,547**	**325,316**	**35,499**	**54,695**	**1,502**	**1,322,559**
Balance at January 1, 2019	**905,547**	**325,316**	**35,499**	**54,695**	**1,502**	**1,322,559**
Changes in scope of consolidation [2]	-	2,536	-	-	2,005	4,540
Other acquisitions	-	14,968	-	37,513	130	52,611
Disposals	-	(750)	-	(947)	-	(1,697)
Transfers	(3)	(360)	-	-	(11)	(374)
Effect of movements in foreign exchange rates	2,620	543	-	-	(68)	3,095
Balance at December 31, 2019	**908,163**	**342,253**	**35,499**	**91,261**	**3,558**	**1,380,734**
Depreciation and impairment losses						
Balance at January 1, 2018	**(54,272)**	**(251,343)**	**-**	**(2,854)**	**(1,406)**	**(309,875)**
Adjustment on purchase price allocation of Buchbinder and Goldcar [1]	-	(67)	(927)	-	-	(994)
Balance at January 1, 2018 adjusted	**(54,272)**	**(251,410)**	**(927)**	**(2,854)**	**(1,406)**	**(310,869)**
Changes in scope of consolidation		14	-	-	-	14
Amortization	(2)	(20,299)	(3,814)	-	182	(23,933)
Disposal	-	565	-	-	(276)	289
Transfers	(1,607)	(1,338)	-	-	263	(2,682)
Effect of movements in foreign exchange rates	420	218	-	-		638
Balance at December 31, 2018	**(55,461)**	**(272,250)**	**(4,741)**	**(2,854)**	**(1,237)**	**(336,543)**
Balance at January 1, 2019	**(55,461)**	**(272,250)**	**(4,741)**	**(2,854)**	**(1,237)**	**(336,543)**
Amortization	-	(10,746)	(3,550)	(10,634)	(268)	(25,198)
Disposal	-	68	-	-	-	68
Transfers	(65)	8,770	-	(8,636)	35	105
Effect of movements in foreign exchange rates	(2,621)	(515)	-	-	54	(3,081)
Balance at December 31, 2019	(58,146)	(274,673)	(8,291)	(22,124)	(1,416)	(364,650)
Net carrying amounts						
As of December 31, 2018	**850,086**	**53,067**	**30,758**	**51,841**	**265**	**986,016**
As of December 31, 2019	**850,017**	**67,316**	**27,504**	**69,137**	**2,142**	**1,016,084**

(1) The fair value allocation of the acquisitions in 2017 continued and was finalized in 2018. The opening statement of financial position was adjusted and the following main intangible assets were recognized: the Goldcar trademark for 118 million euros, customer relations at Buchbinder and Goldcar for 28 million euros and 4 million euros respectively and technology at Buchbinder and Goldcar for 1 million euro and 6 million euros respectively.
(2) In 2019, the variation is related to the acquisition of Finnish and Norwegian franchisees and the acquisition of Fox Rent A Car.

5.2.1 Brands

The brands registered in the consolidated financial statements at December 31, 2019 amount to 850 million euros and relate mainly to the brands Europcar (699 million euros), Goldcar (137 million euros) and Buchbinder (33 million euros). These brands have an indefinite lifespan.

The value of the Buchbinder and Goldcar brands were defined during the allocation of the acquisition price carried out in 2018 and 2019 and did not present any risk of impairment as of December 31, 2019.

The value of the Europcar brand is supported by an impairment test presented below.

(i) Annual impairment test

In accordance with IAS 36, "Impairment of Assets", the Group carried out an annual impairment test of the carrying value of the Europcar brand using the royalty method. This test is carried out globally, all countries and entities using the Europcar brand combined without allocation at a lower level.

The value in use of the brand has been determined from projections of the fees that would be collected within the Europcar network (entities owned by the Group, national and international franchisees).

(ii) Main assumptions

The valuation of the terminal value is based on a long-term growth rate of 2%.

The discount coefficient used to calculate the weighted average cost of capital is applied to the net cash flow from each cash-generating unit based on the risk-free interest rate of German bonds with a maturity 10 years.

It is estimated at 6.99% in 2019 (7.32% in 2018).

(iii) Sensitivity analysis

A reasonable modification of the main assumptions would not generate a book value higher than the recoverable value and therefore would not lead to an impairment. The table below presents the result of the impairment test and the resulting room for maneuver (difference between the recoverable value and the net book value of the brands) according to different assumptions of long-term growth rate and weighted average cost. of capital.

		Long-term growth rate		
(in millions of euros)		1.0%	2.0%	3.0%
WACC	5.99%	1,138	1,507	2,123
	6.99%	850	1,086	1,442
	7,99%	646	809	1,038

The tests carried out on the Europcar brand did not lead to any record of impairment losses in 2019 and in previous years.

5.2.2 Software and operating system

The software (Greenway from Europcar and Speedlink from PremierFirst) were measured at fair value in accordance with IFRS 3 "Business combinations", according to the APF method (analysis of functional points). This method is based on the calculation of the functional points of each of the segments/software of the fleet management and booking systems of Europcar and PremierFirst. The functional points correspond to the functionalities used to evaluate the replacement value.

The net book value of this internally developed software has been zero since the end of December 31, 2017.

The amount of project costs activated for 2019 is 39 million euros (32.3 million euros in 2018).

5.2.3 Collateral

The total amount of intangible assets (with the exception of the Europcar brand) is held as security for the first loan intended to finance the fleet of vehicles, as detailed in Note 6.6.

5.3 Property, plant and equipment

Property, plant and equipment are held as security against Group corporate financing, as detailed in Note 6.6.

(in thousands of euros)	Land and buildings	Technical equipment	Other equipment	Fixed assets in progress	Right of use	Total
Gross values						
Balance at January 1, 2018	**86,066**	**22,091**	**231,910**	**3,645**	**-**	**343,712**
Changes in scope	-	(99)	-	-	-	(99)
Acquisitions	39,760	9,555	19,291	2,875	-	71,481
Disposals	(1,694)	(335)	(8,032)	(714)	-	(10,775)
Transfers	(408)	(539)	4,432	(271)	-	3,214
Effect of movements in foreign exchange rates	(477)	(15)	(400)	(5)	-	(897)
Balance at December 31, 2018	**123,247**	**30,658**	**247,201**	**5,530**	**-**	**406,636**
Balance at January 1, 2019	**123,247**	**30,658**	**247,201**	**5,530**	**-**	**406,636**
Changes in scope	2,795	1,582	621	39	16,844	21,880
Acquisitions (1)	2,581	7,487	21,636	3,737	454,649	490,091
Disposals	(1,769)	(150)	(8,026)	(875)	(21,202)	(32,022)
Transfers	5	(47)	983	(1,036)	(153)	(248)
Effect of movements in foreign exchange rates	467	(76)	1,727	(3)	517	2,631
Balance at December 31, 2019	**127,325**	**39,454**	**264,142**	**7,392**	**450,655**	**888,968**
Depreciation and impairment losses						
Balance at January 1, 2018	**(35,116)**	**(12,616)**	**(181,125)**	**-**	**-**	**(228,857)**
Changes in scope	-	25	1	-	-	26
Provision for depreciation and depreciation expense	(1,894)	(2,171)	(16,359)	-	-	(20,424)
Disposals	1,345	(66)	5,184	-	-	6,463
Transfers	299	(827)	(4,570)	-	-	(5,098)
Effect of movements in foreign exchange rates	193	12	296	-	-	501
Balance at December 31, 2018	**(35,173)**	**(15,643)**	**(196,573)**	**-**	**-**	**(247,389)**
Balance at January 1, 2019	**(35,173)**	**(15,643)**	**(196,573)**	**-**	**-**	**(247,389)**
Provision for depreciation and depreciation expense	(2,037)	(4,099)	(16,056)	-	(103,555)	(125,747)
Disposals	1,118	24	3,189	-	-	4,330
Transfers	-	44	(249)	-	-	(205)
Effect of movements in foreign exchange rates	(130)	63	(1,245)	-	(298)	(1,611)
Balance at December 31, 2019	**(36,227)**	**(19,609)**	**(210,932)**	**-**	**(103,555)**	**(370,622)**
Net carrying amounts						
As of December 31, 2018	**88,074**	**15,015**	**50,628**	**5,530**	**-**	**159,247**
As of December 31, 2019	**91,098**	**19,845**	**53,209**	**7,392**	**346,801**	**518,346**

(1) The amount of the right of use breaks down:
– 367 million euros of right of use recognized at the first application of IFRS 16. See Note 1.3.2.
– 88 million euros of right of use recognized in relation with lease contracts entered into after the transition date.

Note 6 Other components of the balance sheet and activity-related commitments

6.1 Inventories

No material restrictions of title or right of use exist in respect of the inventories listed below:

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Consumables	2,368	4,648
Oil and fuel	21,489	17,380
Vehicles	3,106	1,672
Spare parts	2,068	2,293
Other items	532	543
TOTAL INVENTORY	**29,563**	**26,536**

Inventories are recognized net of provisions of 334 thousand euros (2018: 282 thousand euros).

The vehicles entered in the stocks are vehicles which are not yet in operation on the closing date.

6.2 Trade and other receivables

All trade receivables are due within one year.

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Rental receivables	270,673	266,932
Other trade receivables	118,285	103,774
Other tax receivables	8,509	3,145
Insurance claims	44,728	35,474
Prepayments	21,448	46,588
Employee related receivables	786	5,927
Deposits, other receivables	23,189	19,424
TOTAL TRADE AND OTHER RECEIVABLES	**487,618**	**481,264**

The table below shows the evolution of provisions for depreciation of receivables related to vehicle rental and other customer receivables:

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Opening balance	(41,297)	(30,876)
Depreciation of bad debts	(4,793)	(12,145)
Change in scope	(441)	-
Receivables written off during the year/period	2,734	1,674
Unused amounts reversed	-	-
Foreign currency differences	(122)	50
CLOSING BALANCE	**(43,919)**	**(41,297)**

Additions to/releases of the allowance for bad debts are included in "Fleet operating, rental and revenue related costs" in the consolidated income statement (Note 4.3).

The schedule of net trade receivables and other receivables is as follows:

	At December 31, 2019				
(in thousands of euros)	Total	Not expired	Expire within 90 days	Expire between 90 and 180 days	Expire for more than 180 days
Trade and other receivables – gross amount	560,663	367,059	86,466	32,191	74,966
Impairment of bad debts	(73,045)	(17,508)	(14,631)	(10,098)	(30,808)
Trade and other receivables – net amount	**487,618**	**349,551**	**71,815**	**22,093**	**44,159**

	At December 31, 2018				
(in thousands of euros)	Total	Not expired	Expire within 90 days	Expire between 90 and 180 days	Expire for more than 180 days
Trade and other receivables – gross amount	536,330	368,587	86,681	20,834	60,228
Impairment of bad debts	(55,067)	(24,095)	(3,722)	(2,730)	(24,519)
Trade and other receivables – net amount	**481,263**	**344,492**	**82,959**	**18,104**	**35,709**

3

6.3 Trade payables and other liabilities

The fair values of trade payables correspond to their nominal value. All trade payables and other liabilities fall due within one year.

(in thousands of euros)	At December 31, 2019	At December 31, 2018
Trade payables	457,184	428,418
Other tax payables	14,325	17,142
Deposits	59,018	42,103
Employee-related liabilities	72,141	70,729
Liabilities relating to the acquisition of participating interests	26,227	28,181
TOTAL TRADE PAYABLES AND OTHER LIABILITIES	**628,895**	**586,573**

6.4 Change in non-fleet working capital

(in thousands of euros)	Twelve months 2019	Twelve months 2018
Trade receivables	7,336	(18,423)
Other receivables	(7,283)	(3,233)
Tax receivables	(4,777)	1,221
Inventories	(1,518)	(2,268)
Trade payables	16,623	8,643
Other debt	6,248	(43)
Employee-related liabilities	(3,588)	(3,688)
Tax debt	(2,905)	1,956
CHANGE IN NON-FLEET WORKING CAPITAL	**10,137**	**(15,835)**

6.5 Equity-accounted investments

As of December 31, 2019, no company owned by the Group was consolidated using the equity method.

In 2019, the Group took control of its Wanderio subsidiary (91.83% interest rate in 2019). The entity is now fully integrated in the Group's consolidated accounts.

As of December 31, 2018, the equity-accounted investments were presented in the consolidated financial statements as follows:

Company name	Country of main establishment	% Interest	% Control	Europcar share of net profit *(in thousands of euros)*	Equity-accounted securities *(in thousands of euros)*	Provision for equity-accounted securities *(in thousands of euros)*
Car2Go Europe GmbH [(1)]	Germany	25.00%	25.00%	(1,063)	-	-
Wanderio	Italy	33,33%	33,33%	(264)	1,262	(1,262)
TOTAL				**(1,327)**	**1,262**	**(1,262)**

(1) % of interest and share of profit accounted for by the equity method before the sale of Car2Go shares. The 25% stake held in Car2Go was sold to Daimler on April 4, 2018, therefore this company was no longer consolidated by the equity method on December 31, 2018.

6.6 Off-balance sheet commitments

6.6.1 Leases

The Group's minimum payments under non-cancellable leases that do not fall within the scope of IFRS 16 as of December 31, 2019 are detailed below:

(in thousands of euros)	**At December 31, 2019**	**Including amounts related to operated fleet**	At December 31, 2018	Including amounts related to operated fleet
Payable:				
• within one year	32,260	-	347,436	226,415
• between one and five years	32,781	-	263,337	10,015
• over five	3,234	-	49,854	-
TOTAL LEASES	**68,275**	**-**	**660,627**	**236,430**

With the application of IFRS, the majority of leases are recognized in the balance sheet and are therefore not included in the off-balance sheet commitments presented in the table above.

Only the commitments related to the following rental contracts are considered:

- contracts affected by the exemptions permitted by the standard;
- contracts considered as service contracts for which the rental charge is recognized directly in the Group's income statement under operating profit;
- contracts considered as substitutable assets when the lessor has the possibility of modifying the location of the tenant without payment of a significant financial consideration. Several contracts within airports are affected.

6.6.2 Commitments to purchase vehicles

During the year ended December 31, 2019, the Group concluded contracts for the purchase of vehicles. As of December 31, 2019, outstanding commitments amounted to 1,190.9 million euros (December 2018: 1,155.5 million euros).

6.6.3 Commitments to purchase fixed assets

During the fiscal year ended December 31, 2019, the Group entered into contracts for the purchase of tangible and intangible assets. As of December 31, 2019, the commitments in progress were not significant, as was December 31, 2018.

6.6.4 Contingent assets and liabilities and guarantees

GUARANTEES GIVEN BY THE GROUP

- The Group has given various guarantees (mostly joint and several) to certain third parties (mainly in respect of fleet finance lease transactions) in the normal course of its activities, as well as specific guarantees, including a guarantee 45 million euros to AIG Europe Ltd for the performance of certain commitments in its self-insurance program (franchise agreement), which could have to be implemented in the very unlikely event that Europcar would be unable to honor the commitments under the franchise agreement.
- As of December 31, 2019, the Company had given suppliers 16.1 million euros in guarantees (December 2018: 12.3 million euros). Contingent assets amounted to 3.4 million euros (December 2018: 3.5 million euros).

- Securitifleet S.A.S., Goldfleet France S.A.S., Securitifleet S.L. and Goldfleet Spain S.L. respectively hold a significant part of the fleet leased by Europcar France S.A.S., Goldcar France S.A.R.L., Europcar IB S.A.U. and Goldcar Spain S.L.U. to their respective customers and have given their vehicles as security, with regard to Securitifleet SAS and Goldfleet France SAS, for the benefit of Crédit Agricole Corporate and Investment Bank, its successors and assignees, and, more particularly, for the benefit of the common fund FCT Sinople securitization, in accordance with articles 2333 et seq. of the French Civil Code, and, in the case of Securitifleet SL and Golfleet Spain SL, for the benefit of its creditors, its successors and assignees, within the framework of a contract called respectively "Spanish Securitifleet Financing Agreement" and "Spanish Goldfleet Financing Agreement" and in accordance with Article 1863 of the Spanish Civil Code. For the purposes of these guarantees, Europcar France S.A.S., Goldcar France S.A.R.L., Europcar IB S.A. and Goldcar Spain S.L.U. have been appointed respectively agreed third party and tercero poseedor de conformidad in accordance with the provisions of Article 2337 of the French Civil Code and Article 1863 of the Spanish Civil Code. Consequently, any vehicle returned by a customer of Europcar France S.A.S., Goldcar France S.A.R.L., Europcar IB S.A.U. or Goldcar Spain S.L.U. must be, as the case may be, to Europcar France S.A.S., to Goldcar France S.A.R.L., to Europcar IB S.A.U. or to Goldcar Spain S.L.U. in their capacity as agreed third party and tercero poseedor de conformidad or, as the case may be, any other entity which replaces it and in no case shall Securitifleet France S.A.S., Goldfleet France S.A.S., Securitifleet S.L. or Goldfleet Spain S.L.U.
- The companies Securitifleet SAS, Securitifleet GmbH, Securitifleet SL, Securitifleet SpA and Goldfleet SAS are or will be owners of a substantial part of the fleet rented by Europcar France SAS to its customers and have agreed to a pledge on their vehicles for the benefit in particular of Credit Agricole Corporate and Investment Bank and its successors and assignees and, in particular, the FCT Sinople Finance securitization mutual fund, in particular in accordance with articles 2333 and following of the Civil Code. For the purposes of this pledge, Europcar France SAS has been designated as an "agreed third party" in accordance with Article 2337 of the Civil Code. Consequently, any return of a vehicle by a customer of Europcar France SAS must imperatively be made to Europcar France SAS in its capacity as an agreed third party or, if applicable, of any other entity which may be substituted for it in this capacity. and in no case to Securitifleet SAS, Securitifleet GmbH, Securitifleet SL, Securitifleet SpA or Goldfleet SAS.
- The companies Goldfleet SAS and Securitifleet SAS are or will be owners of a substantial part of the fleet rented by Goldcar France SARL to its customers and have agreed to a pledge on their vehicles for the benefit in particular of Crédit Agricole Corporate and Investment Bank and its successors and assignees and, in particular, the FCT Sinople Finance securitization mutual fund, in particular in accordance with articles 2333 and following of the Civil Code. For the purposes of this pledge, Goldcar France SARL has been designated as an "agreed third party" in accordance with Article 2337 of the Civil Code. Consequently, any return of vehicle by a customer of Goldcar France SARL must imperatively be carried out with Goldcar France SARL in its capacity of agreed third party or, if necessary, of any other entity which would come to be substituted for it in this capacity and in no case to Goldfleet SAS or Securitifleet SAS.
- As a guarantee of the Senior Renewable Credit Facility (or RCF), dated July 13, 2017, as amended on May 29, 2019, the following guarantees have in particular been set up by the Company for the benefit of lenders and banks of blanket:
  - joint and several guarantees for the obligations of borrowers and debtors (Obligors),
  - pledge of Europcar International S.A.S.U. owned by the Company.

  As a guarantee of the issue contract (Indenture) governing the EC Finance Bonds (bonds issued for a principal amount of 500 million euros and bearing interest at a rate of 2.375% redeemable in 2022), dated November 2, 2017, the following guarantee has in particular been put in place by the Company: joint and several guarantee of the obligations of EC Finance plc under the issue contract and the obligations.

  To guarantee the issue contracts (Indenture) governing the 2022 Subordinated Obligations (bonds issued for a principal amount of 600 million euros and bearing interest at a rate of 5.75% redeemable in 2022) and the 2024 Subordinated Bonds (bonds issued for a principal amount of 600 million euros and bearing interest at a rate of 4.125% repayable in 2024), on dates of June 10, 2015 and November 2, 2017 respectively, the following collateral was notably put in place by the Company: pledge of Europcar International SASU shares held by the Company (this collateral coming second after the collateral granted as a guarantee by the RCF).

  As a guarantee of the asset-backed financing contract entitled "Asset Backed Financing Facility Agreement", dated December 19, 2017, the following guarantee has been put in place by the Company for the benefit of the financial parties: bonds of borrowers and debtors (Obligors).

GUARANTEES RECEIVED BY THE GROUP

The Company benefited from a liability and asset guarantee granted by the Volkswagen group when the Europcar group was acquired by the Company in 2006. This guarantee has expired and can no longer be implemented, except in very limited specific circumstances. On the other hand, under previous implementations or these specific implementations, the Company may still receive compensation subject to the finalization of pending litigation or pre-litigation and agreement with Volkswagen on the final amount of this compensation.

PLEDGES

The Group has pledged some of its assets, in particular equity securities in subsidiaries, receivables, bank accounts and operational assets. The assets of the Securitifleet entities and the Goldfleet entities or the assets used by the Securitifleet entities and the Goldfleet entities are pledged in favor of holders of EC Finance Bonds and lenders of SARF. The other assets are pledged in favor of the lenders of the senior revolving credit facility, with the exception of assets located in the United Kingdom and assets located in Australia and New Zealand which are themselves pledged in favor of their local lenders.

Note 7 Capital and reserves

7.1 Share capital and issuance premiums

As of December 31, 2019, the registered share capital of Europcar Mobility Group was 163,884,278 euros and consisted of 163,884,278 shares of 1 euro each, all of which correspond to ordinary shares.

The various movements occurring on the capital since January 1, 2019 are as follows:

Date	Operation	Share capital (€)	Legal reserve (€)	Issue premium (€)	Number of actions	Par value (€)
31/12/2018		161,030,883	-	692,255,458	161,030,883	1.000
26/04/2019	Appropriation of earnings closed on December 31, 2018	-	2,376,378	-	-	-
30/07/2019	Changes in equity related to the "WeShare" program	2,853,395	14,012,050	(2,198,995)	2,853,395	1.000
31/10/2019	Conversion of own shares	-	-	(2,838,732)	-	-
31/12/2019		**163,884,278**	**16,388,428**	**687,217,731**	**163,884,278**	**1.000**

As of December 31, 2019, the distribution of shareholders in the capital of the Company is as follows:

Shareholders	Number of ordinary shares and voting rights	Number of category B preference shares	Number of category C preference shares	Number of category D preference shares	Total number of actions	% of ordinary shares and voting rights	% of share capital
Eurazeo SE	48,988,740	-	-	-	48,988,240	31.50%	29.79%
CIAM	12,151,978	-	-	-	12,151,978	7.82%	7.39%
ECIP EC SARL	4,990,000	-	-	-	4,990,000	3.21%	3.03%
Morgan Stanley	13,330,226	-	-	-	13,330,226	8.57%	8.11%
Public	53,909,001	-	-	-	53,603,986	32.71%	32.78%
Management and employees	4,912,358	-	-	-	4,644,698	3.16%	2.99%
INVESCO	8,546,706	-	-	-	8,546,706	5.50%	5.20%
Financière de l'Échiquier	8,666,165	-	-	-	8,666,165	5.57%	5.27%
Treasury shares	8,962,279	-	-	-	8,962,279	-	5.45%
TOTAL	**164,457,453**	**-**	**-**	**-**	**163,884,278**	**100.00%**	**100.00%**

As of December 31, 2018, the distribution of shareholders in the capital of the Company was as follows:

Shareholders	Number of ordinary shares and voting rights	Number of category B preference shares	Number of category C preference shares	Number of category D preference shares	Total number of actions	% of ordinary shares and voting rights	% of share capital
Eurazeo SE	48,987,506	-	-	234	48,987,740	31.23%	30.42%
Kairos Investment Management SPA	8,072,043	-	-	-	8,072,043	5.15%	5.01%
ECIP EC SARL	4,990,000	-	-	-	4,990,000	3.18%	3.10%
Morgan Stanley	8,177,148	-	-	-	8,177,148	5.21%	5.08%
Public	84,314,853	-	1,526	1,526	84,317,905	53.80%	49.92%
Management and employees	2,165,700	-	2,519	2,281	2,170,500	1.42%	1.35%
Treasury shares	4,315,547	-	-	-	4,315,547	0%	5.12%
TOTAL	**161,022,797**	**-**	**4,045**	**4,041**	**161,030,883**	**100.00%**	**100.00%**

7.2 Treasury shares

Europcar Groupe shares held by the parent company are recorded at their acquisition cost as a reduction of consolidated equity. In the event of a sale, the capital gains or losses as well as the corresponding tax effects are recorded as a change in consolidated equity.

The value of treasury shares at December 31, 2019 under the liquidity and share buyback contracts entrusted to Rothschild (8,962,279 shares) relating to the shares of Europcar Mobility Group amounted to 65.7 million euros.

As of December 31, 2019, the impact on the change in equity related to treasury shares was (40.3) million euros (compared to (29.9) million euros as of December 31, 2018).

The number of treasury shares held is analyzed as follows:

	2019
Number of treasury shares as of January 1, 2019	**4,158,050**
Own shares purchased (purchased)	8,573,277
Own shares purchased (sold)	(3,769,048)
Number of treasury shares as of December 31, 2019	**8,962,279**

7.2.1 Exceptional distribution

In addition to the dividend for the 2019 financial year, the Shareholders' Meeting of Europcar Mobility Group, held on April 26, 2019, approved an exceptional distribution in cash for a total amount of 16,103,088 euros, set at 0.10 euro per share. The purpose of this distribution is to distribute a share of the extraordinary income from the sale by the Group of its 25% stake in Car2go Europcar GmbH in April 2018.

The exceptional distribution right was allocated on May 21, 2019 and was paid exclusively in cash on May 23, 2019 representing 161,030,883 shares.

7.2.2 Share Buyback Program

Europcar Mobility Group entered into two stock purchase mandates on December 21, 2018 and October 24, 2019 with Rothschild, as part of a share buyback program.

Under the terms of the acquisition mandate of December 21, 2018, the Company purchased a total of 5,227,644 shares at an average price of 7.524 euros, for a total cost of 39,032,450 euros, during the 2019. Under the terms of the acquisition mandate of October 24, 2019, the Company purchased a total of 1,153,078 shares at an average price of 3.604 euros, for a total cost of 4,000,057 euros, during the 2019 financial year.

Note 8 Financing and financial risk management

Financial assets are classified into three categories: assets at fair value through equity, assets at fair value through profit and loss and assets at amortized cost. Two criteria must be used to determine the classification and measurement of financial assets: the entity's business model for the management of its financial assets and the characteristics of the contractual cash flows of the financial asset. The classification adopted by default is that of fair value through profit or loss.

Financial liabilities are classified into the following categories: financial liabilities at fair value through profit and loss and amortized cost.

Management decides on the classification of financial assets and liabilities upon initial recognition.

a) Financial assets

FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY

Gains and losses arising from changes in the fair value of these instruments are recognized in Other comprehensive income within equity, except for impairment losses and monetary items such as translation differences. When derecognizing these instruments, the cumulative gain or loss stored in equity is reported in the income statement. When these instruments bear interest, interest is recognized in the income statement using the effective interest rate method.

These assets which are not quoted on an active market and whose fair value cannot be measured reliably are valued at historical cost, less the accumulated amount of impairment losses.

IMPAIRMENT OF FINANCIAL ASSETS WITH FAIR VALUE THROUGH EQUITY

A significant or prolonged decline in their fair value below their historical cost is also taken into account to determine the existence of an impairment loss. In the presence of such an indication, the cumulative net loss previously recognized directly in equity is removed from equity and recognized in the income statement.

Impairment losses related to equity instruments recognized in the income statement are not reversed through the income statement until the sale of the equity instrument. After an impairment, an increase in the fair value of an equity instrument is recognized directly in equity.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit and loss mainly include investments in non-consolidated companies (see Note 8.6.1).

FINANCIAL ASSETS AT AMORTIZED COST

Similar receivables related to the vehicle fleet

See Note Receivables and debts assimilated to the vehicle fleet.

b) Customers and other debtors

Trade receivables are amounts owed by customers in return for services provided in the normal course of business; these receivables are initially recognized at fair value, then subsequently measured at amortized cost using the effective interest method, after deduction of a provision for depreciation.

The method of impairment of receivables is presented below in paragraph (e). Details of the impairment of receivables are given in Note 6.2.

The impairment loss is recognized in the income statement under "Fleet operating costs" (see Note 4.2).

c) Cash and cash equivalents

CASH INCLUDES CASH

Cash equivalents correspond to short-term investments and very liquid instruments such as transferable securities and bonds with a maturity of less than 3 months on the date of acquisition, easily convertible into a known amount of cash and not involving any significant exchange risk in value. Financial instruments classified in the cash and cash equivalents category are recognized at fair value through profit or loss.

RESTRICTED CASH

Cash and cash equivalents are considered restricted cash when (i) they are used to cover future claims indemnification or (ii) are not immediately available to finance the activity of the subsidiaries. Consequently, the cash limited to the following special purpose entities in relation to vehicle rental and insurance activities is considered to be restricted cash:

- Securitifleet Holding and Securitifleet Holding Bis;
- FCT Sinople ("Mutual Securitization Fund");
- EC Finance plc; and
- Euroguard, captive insurance.

Restricted cash and restricted cash equivalents are presented separately from cash and cash equivalents.

d) Other financial assets

Other financial assets mainly relate to non-derivative financial assets with fixed or determinable payments and a fixed maturity, which the entity has the firm intention and the possibility of keeping until maturity, which are not listed on an active market and arise from lending activities or the provision of goods or services. It mainly includes loans, receivables, deposits and advance payments and marketable securities which are not classified as cash and cash equivalents as well as the portfolio of financial assets (diversified bond investments with several financial institutions) held by Euroguard units.

These assets are initially recognized at fair value, including transaction costs. They are subsequently valued at amortized cost using the effective interest method.

The amortized cost of short-term receivables generally approaches the nominal amount of these elements.

These assets are considered as non-current financial assets if their maturity is more than 12 months or as current financial assets (see Note 8).

e) Impairment of financial assets

Impairment of assets valued at amortized cost is estimated on the basis of expected losses for the counterparty's credit risk using a mechanism based on the difference between discounted expected flows and original flows or balance sheet outstanding A collective impairment for a group of assets is carried out when the characteristics of these assets thus grouped are similar.

The expected losses for buy-back receivables from manufacturers are assessed on the basis of the probabilities of default by the main Group manufacturers obtained from rating bodies. The expected losses for rental receivables are evaluated on the basis of a historic loss rate. Additional impairment can be seen when observing an objective indicator of impairment with a proven loss.

The impairment of assets valued at amortized cost is detailed in Note 4.4.

The method of impairment of assets at fair value through equity is detailed in paragraph (i) Financial assets at fair value through equity.

f) Financial liabilities at amortized cost

These financial liabilities include:

- loans and financial debts;
- suppliers and other debts;
- bank overdrafts.

The amortized cost of suppliers and other short-term debts generally approach their nominal amount.

Borrowings are initially recognized at fair value, net of transaction costs. Borrowings are subsequently measured at amortized cost. The effective interest rate calculation takes into account interest payments and amortization of transaction costs. Transaction costs are amortized using the effective interest method over the term of the loan.

Bank overdrafts repayable on demand which are an integral part of the Group's cash management are included in current borrowings in the balance sheet and the cash flow statement.

Loans are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liabilities for at least 12 months after the balance sheet date.

In the event of a modification of the financial debt at amortized cost, the carrying amount of the financing is recalculated as being the sum of the new flows discounted at the original TIE. In fact, the financial gain or loss resulting from changes in characteristics is recognized immediately in the income statement.

g) Derivative financial instruments with fair value through equity or through profit or loss

A financial instrument is a contract that gives rise to both a financial asset in one entity and a financial liability or an equity instrument in another.

The Group uses derivative financial instruments to manage its exposure to exchange rate and interest rate risks. In accordance with its cash management policy, the Group does not hold or issue any derivative financial instruments for trading purposes.

When derivative instruments are held for risk management purposes and when transactions meet the required criteria, the Group applies fair value hedge accounting, cash flow hedge accounting or hedging of a net investment in an activity abroad, depending on the risk covered.

As soon as the transaction is implemented, the Group documents the hedging relationship between the hedging instruments and the items hedged, as well as its risk management objectives and its hedging policy. The Group also documents the assessment it makes, when hedging is put in place and on a permanent basis, of the highly effective nature of the derivative instruments used in hedging transactions to compensate for variations in fair values or cash flow of hedged items. The fair values of the derivative instruments used for hedging purposes are presented in Note 8.5.

As of December 31, 2019, the Group did not hold any derivative instruments meeting the criteria of fair value hedge accounting or of a net investment.

h) cash flow hedge accounting

For eligible cash flow hedges, the fair value gain or loss associated with the effective part of the cash flow hedge is initially recognized in equity (see consolidated statement of comprehensive income), then recycled to the account. in the periods during which the hedged item will affect the result. Any ineffective portion of the gain or loss related to the hedged item is recognized immediately in the income statement in "Financial income" (see Note 3.6).

8.1 Financial assets

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Other non-current financial assets		
Other non-current financial assets	61	48
Financial assets carried at amortized cost [1]	41,266	44,600
Deposits and prepayments	32,143	21,316
Other non-current investments	435	48
TOTAL NON-CURRENT FINANCIAL ASSETS	**73,905**	**66,012**
Current financial assets		
Loans	339	749
Other current financial assets [1]	14,505	11,221
TOTAL CURRENT FINANCIAL ASSETS	**14,844**	**11,970**

(1) Including 49.6 million euros covering the liabilities linked to our captive insurance structure (53.3 million euros at December 31, 2018), mainly composed of bonds recognized at amortized cost. Given the short maturity of these obligations, management has concluded that the fair value of these investments is close to their carrying value at December 31, 2019.

8.2 Cash and cash equivalents and restricted cash

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Cash-in-hand and at bank	526,753	357,847
Accrued interest	266	291
Cash and cash equivalents	**527,019**	**358,138**
Restricted cash	116,518	90,490
CASH, CASH EQUIVALENTS AND RESTRICTED CASH	**643,537**	**448,628**

Cash and cash equivalents include 167.9 million euros (December 2018: 78.3 million euros) of cash limited to the companies Securitifleet and Goldfleet, with the exception of the two Holdings SFH and are intended to finance the fleet in France, in Germany, Italy and Spain. As such, they are not considered to be restricted cash.

Cash and cash equivalents of ad hoc structures are considered restricted cash. The reconciliation of cash and cash equivalents presented in the balance sheet and cash and cash equivalents in the cash table is detailed below:

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Cash and cash equivalents	527,019	358,138
Restricted cash	116,518	90,490
Bank overdrafts [1]	(15,382)	(23,642)
CASH AND CASH EQUIVALENTS PRESENTED IN THE CASH FLOW STATEMENT	**628,155**	**424,986**

(1) Included in current borrowings and financial debts (see Note 8.3).

8.3 Financial liabilities

(in thousands of euros)	At December 31, 2018	Variation with cash impact	Variation in scope	Foreign exchange impacts	Others	At December 31, 2019
Bonds issued	1,700,000	(150,000)	-	-	-	1,550,000
Other bank loans dedicated to fleet financing	62,908	10,723	206,145	(2,567)	6,917	284,127
Transaction costs/Premium/Discount	(22,241)	(8,909)	(411)	15	10,023	(21,523)
Non-current liabilities	**1,740,667**	**(148,186)**	**205,734**	**(2,552)**	**16,940**	**1,812,604**
Renewable Senior Revolving Credit Facility	230,000	318,234	-	-	-	548,234
Senior Credit Facility	680,501	453,506	14	-	28	1,134,049
Other borrowings dedicated to fleet financing	664,598	(15,604)	70,933	20,941	9,338	750,208
Bank overdrafts	23,642	-	745	73	(9,079)	15,382
Current bank loans and other borrowings dedicated to fleet financing	415,377	138,311	26,169	(453)	(35,492)	543,912
Transaction costs/premiums/ discount – current portion	(14,724)	-	-	(122)	6,899	(7,947)
Accrued interest	7,139	-	1,185	(11)	1,940	10,252
Current liabilities	**2,006,533**	**894,447**	**99,047**	**20,429**	**(26,365)**	**2,994,090**
TOTAL BORROWINGS	**3,747,200**	**746,261**	**304,781**	**17,878**	**(9,425)**	**4,806,694**

(in thousands of euros)	At December 31, 2017	Variation with cash impact	Variation in scope	Foreign exchange impacts	Others	At December 31, 2018
Bonds issued	1,550,000	150,000	-	-	-	1,700,000
Other bank loans dedicated to fleet financing	46,511	14,954	-	(268)	1,711	62,908
Transaction costs/Premium/Discount	(26,370)	(16,584)	-	(110)	20,823	(22,241)
Non-current liabilities	**1,570,141**	**148,370**	**-**	**(378)**	**22,534**	**1,740,667**
Renewable Senior Revolving Credit Facility	160,011	69,989	-	-	-	230,000
Senior Credit Facility	739,582	(59,081)	-	-	-	680,501
Other borrowings dedicated to fleet financing	725,376	(52,882)		(6,316)	(1,580)	664,598
Bank overdrafts	32,359	-	-	(49)	(8,668)	23,642
Current bank loans and other borrowings dedicated to fleet financing	296,570	112,342	-	(193)	6,658	415,377
Transaction costs/premiums/ discount – current portion	(11,513)	-	-	47	(3,258)	(14,724)
Accrued interest	7,875	-	-	(2)	(734)	7,139
Current liabilities	**1,950,260**	**70,368**	**-**	**(6,513)**	**(7,582)**	**2,006,533**
TOTAL BORROWINGS	**3,520,401**	**218,738**	**-**	**(6,891)**	**14,952**	**3,747,200**

8.3.1 Cash-impact of financial liabilities variations

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Issuance of bonds – Gross	(150,000)	150,000
Transaction costs backed by bond loans	**(8,909)**	**(16,584)**
Cash impact on issuance of bonds	(158,909)	133,416
Change in Renewable Senior Revolving Credit Facility	318,234	69,989
Change in Senior Credit Facility	453,506	(59,081)
Change in Other borrowings dedicated to fleet financing and financing leases	(15,604)	(52,882)
Change in current bank loans & other	149,034	127,296
Cash impact on change in borrowings	**905,170**	**85,322**
TOTAL CASH IMPACT	**746,261**	**218,738**

8.3.2 Reconciliation of total net debt

Total net debt includes Corporate net debt and total fleet net debt. The latter includes all of the financing relating to the fleet and the rental debts in respect of rents and other payments to be made during the rental period selected.

(in thousands of euros)	Notes	**At December 31, 2019**	At December 31, 2018
Non-current borrowings and financial debts	8.3.3	1,812,604	1,740,667
Current financial borrowings and debts	8.3.3	2,994,090	2,006,533
Financial assets held to maturity	8.1	(41,266)	(44,600)
Other current financial assets	8.1	(14,844)	(11,970)
Cash, cash equivalents and restricted cash	8.2	(643,537)	(448,628)
Net debt on the balance sheet		**4,107,048**	**3,242,002**
Rental debts [1]		484,648	1,883,257
TOTAL NET DEBT		**4,591,696**	**5,125,259**

(1) In 2018, the estimated value of the outstanding amount linked to vehicles financed by means of operating leases corresponds to the net book value of these vehicles, determined on the basis of their purchase price and their rate of amortization.

8.3.3 Analysis of and borrowings and financial debt by maturity

(in thousands of euros)	**At December 31, 2019**	**<1 year**	**Between 1 and 5 years**	**>5 years**
Bond loans	1,550,000	-	1,550,000	-
Other bank loans dedicated to fleet financing	284,127	-	284,127	-
Transaction costs/Premium/Discount [(1)]	(21,523)	-	(21,523)	-
NON-CURRENT LIABILITIES	**1,812,604**	**-**	**1,812,604**	**-**
Senior Revolving Credit Facility	548,234	548,234	-	-
Senior renewable credit facility for fleet financing	1,134,049	1,134,049	-	-
Senior credit facility	750,208	750,208	-	-
Bank overdrafts	15,382	15,382	-	-
Current bank loans and other loans dedicated to financing the fleet	543,912	543,912	-	-
Transaction costs/Premium/Discount – current fraction [(1)]	(7,947)	(7,947)	-	-
Accrued interest	10,252	10,262	-	-
CURRENT LIABILITIES	**2,994,090**	**2,994,090**	**-**	**-**

(1) Transaction costs and issue premium relate to the issue of bonds of 450 million euros [due 2026] for 5.1 million euros, 5.1 million euros for of the issue of bonds of 600 million euros maturing in 2024, 7.3 million euros for the issue of bonds of EC Finance plc of 500 million euros maturing in 2022, 4 million euros for SARF, 0.6 million euros for the signed bridging credit facility and bridging loan to finance Goldcar and 7.3 million euros for the RCF.

(in thousands of euros)	At December 31, 2018	<1 year	Between 1 and 5 years	>5 years
Bond loans	1,700,000	-	1,100,000	600,000
Other bank loans dedicated to fleet financing	62,908	-	62,908	-
Transaction costs/Premium/Discount [(1)]	(22,241)	-	(21,328)	(913)
NON-CURRENT LIABILITIES	**1,740,667**	**-**	**1,141,580**	**599,087**
Senior Revolving Credit Facility	230,000	230,000	-	-
Senior renewable credit facility for fleet financing	680,501	680,501	-	-
Senior credit facility	664,598	664,598	-	-
Bank overdrafts	23,642	23,642	-	-
Current bank loans and other loans dedicated to financing the fleet	415,377	415,377	-	-
Transaction costs/Premium/Discount – current fraction [(1)]	(14,724)	(14,724)	-	-
Accrued interest	7,139	7,139	-	-
CURRENT LIABILITIES	**2,006,533**	**2 006,533**	**-**	**-**

(1) Transaction costs and issue premium relate to the issue of bonds of 600 million euros due in 2022 for 3.4 million euros, 6.1 million euros for the issue of bonds of 600 million euros maturing in 2024, 10.1 million euros for the issue of bonds of EC Finance plc de ous, 3.4 million euros for the signed bridging credit facility and bridging loan intended for the financing of Goldcar and 8.1 million euros under the RCF.

8.3.4 Analysis by subscription currency

As of December 31, 2019, the breakdown of borrowings and financial debts by subscription currency was as follows:

(in thousands of euros)	**At December 31, 2019**	**EURO**	**GBP**	**USD**	**AUD**	**DKK**
Bond loans	1,550,000	1,550,000	-	-	-	-
Transaction costs	(29,470)	(27,248)	(1,864)	(358)	-	-
Accrued interest	10,252	9,317	-	936		-
Senior Revolving Credit Facility	548,324	548,324	-	-	-	-
Senior credit facility	1,134,049	1,134,049	-	-	-	-
Other loans	750,208	93,512	434,198	65,513	151,537	5,448
Bank overdrafts	15,382	15,382	-	-	-	-
Current bank loans and other loans dedicated to financing the fleet	543,912	481,173	-	-	-	62,740
Other bank loans	284,127	88,244	-	195,884	-	-
TOTAL BORROWINGS AND DEBTS	**4,806,694**	**3,892,661**	**432,334**	**261,974**	**151,537**	**68,188**

(in thousands of euros)	At December 31, 2018	EURO	GBP	AUD	DKK
Bond loans	1,700,000	1,700,000	-	-	-
Transaction costs	(36,966)	(34,237)	(2,729)	-	-
Accrued interest	7,139	7,139	-	-	-
Senior Revolving Credit Facility	230,000	230,000	-	-	-
Senior credit facility	680,501	680,501	-	-	-
Other loans	664,598	246,899	321,272	92,425	4,002
Bank overdrafts	23,642	17,165	3,761	-	2,717
Current bank loans and other loans dedicated to financing the fleet	415,377	353,395	-	-	61,982
Other bank loans	62,908	62,908	-	-	-
TOTAL BORROWINGS AND DEBTS	**3,747,200**	**3,263,770**	**322,304**	**92,425**	**68,701**

8.3.5 Financial clauses

As of December 31, 2019, the Group was in compliance with all of the financial clauses presented below:

(i) For facilities to finance the fleet in the United Kingdom

Europcar UK must ensure that:

- the net real value of Europcar UK Group is not less than £45 million;
- the fleet coverage ratio is not more than 1.00.

(ii) For the Senior Renewable Credit Facility

The cash ratio (which must include, regardless of the 12-month period ending on a quarterly or half-yearly date depending on the application of the contract, the cash available in the balance sheet at the start of this period) compared to the total service of debt, should not be less than 1.10.

Total debt service is the total amount of interest and related fees paid over a 12-month period, to which is added the repayment of financial debts, which are subject to certain restrictions.

(iii) Clause on the ratio of net debt to market value of assets

The Group must comply with a maximum debt ratio of all Securitifleet companies (including Securitifleet Holding) compared to the total market value of the assets of certain Securitifleet companies of 95%, a ratio which is tested every quarter.

(iv) For the financing of assets in Australia

Europcar Australia must ensure that:

- the minimum real net worth (i.e. total equity) is always more than a 58 million Australian dollars;
- the fleet utilization ratio was higher than 70% on average over the year;

- the minimum cumulative pre-tax profit represents at least 85% of the Company's projected net profit before tax.

(v) For the financing of the fleet in Denmark

Europcar Denmark must ensure, for the Ostergaard Biler entity, that:

- the equity ratio (equity/total liabilities) is greater than 20%;
- the realized EBITDA is not less than 50% of the forecast EBITDA.

(vi) For the financing of the Buchbinder fleet

Under one of the bilateral fleet financing contracts, the Charterline Fuhrpark Service GmbH entity must ensure that the equity ratio (equity/total liabilities) is greater than 10%.

(vii) For the financing of the Fox fleet

Fox Rent-a-Car must ensure that:

- at each period ending on a quarterly date, for the majority of lenders, EBITDA is greater than $65 million and for one lender, greater than $70 million;
- at each period ending on a quarterly date, the debt-to-EBITDA ratio is less than 5.1.

8.3.6 Issuance of bonds

The bond issues issued are detailed below:

	Nominal outstanding amount		Book value	
(in thousands of euros)	**At December 31, 2019**	At December 31, 2018	**At December 31, 2019**	At December 31, 2018
Senior Bonds, 4%, maturity 2026	450,000	600,000	455,375	601,173
EC Finance bonds, 2.375%, maturity 2022	500,000	500,000	494,197	491,327
Senior Bonds, 4.125%, maturing in 2024	600,000	600,000	590,545	593,867
TOTAL	**1,550,000**	**1,700,000**	**1,540,117**	**1,686,367**

On April 24, 2019, Europcar Mobility Group successfully launched a 450 million euros Senior Bond issue maturing in 2026 bearing interest at 4.0%. This new issue, as well as the RCF increase of 150 million euros on May 29, 2019, reimbursed the bond loan for an amount of 600 million euros due in 2022, bearing interest at the rate of 5.75%.

8.3.7 Facilities for asset financing

(i) Renewable first loan to finance assets

The Senior Asset Revolving Facility ("SARF") was initially concluded on July 30, 2010, between Crédit Agricole Corporate and Investment Bank acting as lender, Securitifleet Holding (the borrower) and ECI (the borrower's agent).

The drawings that can be made by Securitifleet are reserved exclusively for the financing of the acquisition and maintenance of the vehicle fleet in France, Italy, Germany and Spain, only through Securitifleet companies. These drawings depend on the total of all the borrowing bases calculated each month, which essentially represent the total residual value of the vehicle fleet (including vehicles whose registration is in progress) and the related working capital. to the vehicle fleet, including VAT amounts.

The lender assigned its SARF receivables, as well as all of the collateral and all related rights, to FCT Sinople. Regarding these receivables, FCT Sinople will issue: (i) FCT Senior Bonds to be subscribed from time to time by any entity that can subscribe or acquire the FCT Senior Bonds as preferred subscriber (s), and (ii) FCT Second Bonds to be subscribed from time to time by ECI.

From 2010 to 2018, the SARF has been amended regularly. These amendments were mainly intended to adapt the maximum amount of the line to the needs of the Group, to improve financial conditions and to ensure the maintenance of the rating of S&P at A (fs) of the FCT Bonds. On May 14, 2018, the Group signed new amendments to allow the financing of Goldcar vehicles. The amount of the line thus increased from 1.3 billion euros to 1.7 billion euros and new special purpose entities dedicated to the financing of the Goldcar fleet, the Goldfleet companies, were created. The Group took advantage of this opportunity to renegotiate the margin from 1.50% to 1.30% and extend the maturity of the line from January 2020 to January 2022.

(ii) Credit facilities

On December 19, 2017, in order to optimize the conditions for financing the Goldcar fleet immediately after the acquisition date, the Group signed a new bridge loan of 450 million euros guaranteed by the Goldcar fleet assets in Spain, Italy and France. This bridging loan, signed with a diversified pool of international banks, has made it possible to refinance Goldcar's existing debt at the date of acquisition and allows Goldcar's "Fleetcos" entities in these three countries to finance the acquisition of new vehicles. Each entity has the possibility, on a monthly basis and for a period of 12 months from December 19, 2017, to draw on the line of credit to finance new vehicles. This facility bears interest at Euribor + 225 bps and makes it possible to finance the value of the fleet at an advance rate of 75%.

At the end of this twelve-month period, the purchase of new vehicles dedicated to the Goldcar fleet should be essentially financed by the first-rate guaranteed revolving credit facility intended to finance the fleet at Group level (SARF). The stock of vehicles financed by the bridge loan should not be transferred to SARF and would remain financed by the bridge loan under specific conditions (in particular interest rate and advance rate). The bridge loan will be gradually reimbursed thanks to the proceeds from the sale of vehicles.

On November 9, 2018, the Group amended this bridging loan by reducing the amount of the line by 200 million euros to support the decrease in its use. The amount of the facility was 250 million euros as of December 31, 2018. The facility was gradually repaid over the course of 2019 and in full as of December 31, 2019.

(iii) Facilities intended to finance the British fleet

The British fleet alone benefits, through the Group's British subsidiaries, including Europcar Group UK Limited, Europcar UK Limited and certain subsidiaries of Europcar UK Limited, from a facility intended to finance working capital and two facilities for finance leases, one with Lloyds Bank (£ 190 million) and the other with Lombard Bank (£ 160 million). In October 2014, all of the funding lines were renegotiated. In addition to improving financial conditions and widening the banking pool, this refinancing via the establishment of a Club Facility allows the British perimeter to bring its fleet financing lines to 455 million pounds for a maturity of 3 years. with 2-year extension option.

On September 20, 2016, Europcar signed an addendum to the Club Facility in order to extend its maturity by one year to bring it to October 2018 to lower the margin by 20 basis points, i.e. Libor + 180 bp, and to recompose the bank pool. The amount of the Club Facility is now £ 400 million, accompanied by an uncommitted Seasonal Facility of £ 100 million made available by the Club Facility banks each year between May and October in order to coping with peak activity.

New amendments were signed on July 20, 2017 and October 6, 2017 to modify certain commitments and covenants in the legal documentation. In this context, the margin was adjusted by 20 basis points, i.e. Libor + 200 bp.

The total amount guaranteed under finance leases is £455 million (2017: £455 million). The vehicles are acquired from car manufacturers, then sold to lessors and operated under sale-leaseback contracts.

The Club Facility maturing in October 2018 was refinanced on October 19, 2018 by the signing of a new facility in the amount of 400 million pounds sterling and with a 3-year maturity with 2-year extension option including financing of the Goldcar UK fleet. In addition to the extension of maturity, this new line benefits from improved margin conditions, reduced by 20 basis points to 1.80% and flexibility or disappearance of certain covenants.

As of December 31, 2019, the outstanding amount under these contracts was £369 million (2018: £287 million).

8.3.8 Financing of assets in Australia

National Australia Bank ("NAB"), Toyota Financial Services, Commonwealth Bank of Australia, Westpac Bank, Bank of Queensland, Mercedes Financial Services and Alphabet Financial Services have provided Europcar Australia and New Zealand with first-rate credit facilities (the " Facilities to finance the Australian fleet "), capped at 404 million Australian dollars. These facilities are generally renewed each year in April.

The NAB Facilities are secured by fixed and floating security interests in the assets of Europcar Australia, including goodwill, capital not called, and capital called but not paid up, as well as the relevant insurance policy. The facilities also provide performance guarantees.

8.3.9 Financing of assets at Buchbinder

The Buchbinder fleet is financed through several bilateral facilities renewed annually and contracted with banks and manufacturers in Germany and Austria. As of December 31, 2019, these credit facilities were drawn down for 284 million euros. These facilities include customary covenants for this type of financing.

Note 8.4 "Financial risk management" provides further information on the Group's exposure to interest rate and liquidity risks.

8.4 Financial risk management

Through its activities, the Group is exposed to various financial risks: market risk (in particular foreign exchange risk, fair value risk on interest rates, cash flow risk on interest rates and price risk securities), credit risk and liquidity risk. The Group's risk management programs seek to minimize the potential negative effects of financial market volatility on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

The Group Treasury Department is responsible for risk management and submits its proposals for financial transactions to the Management Board for approval. The Treasury Department identifies, assesses and offers financial risk hedging instruments in close collaboration with the Group's operating units. The Management Board decides on these proposals on the basis of formal documentation setting out the context, purpose and main characteristics of the proposed transactions. After approval by the Management Board, the Group Treasury Department is responsible for setting up hedges. This procedure is established and followed for the management of all types of significant financial risk, in particular interest rate risk, credit risk, the use of derivative and non-derivative financial instruments and the investment of excess cash. The Group does not use derivative financial instruments for purposes other than risk management. All hedging operations are either coordinated centrally or executed by the Group Treasury Department.

The Group constantly assesses the identified financial risks (notably market risk, credit risk and liquidity risk) and documents its exposure in its financial statements. The Group considers that its exposure at December 31, 2019 has not undergone any major change in the past 12 months, and has therefore maintained the risk limitation policy in force for several years.

8.4.1 Market risk

(v) Currency risk

The Group, which operates in several countries internationally, is exposed to currency risk arising from various currency exposures, mainly the pound sterling. Currency risk arises from the conversion into euros of the results and net assets of subsidiaries having a functional currency other than the euro.

The exchange risk linked to intra-group financial transactions and, to a lesser extent to transactions with franchisees, is fairly limited, each subsidiary operating on its market and in its functional currency.

As of December 31, 2019, the Group had no investments in foreign activities other than the United Kingdom, Australia and New Zealand, Denmark, Croatia, Turkey, Hungary, Norway and the United States, net assets would be exposed to currency risk.

The summary of the Group's quantitative exposure to foreign exchange risk due to the conversion of balances into functional currency is presented below:

(in thousands of euros)	GBP	USD	AUD	DKK	Total 2019
Trade and other receivables (including fleet)	74,385	14,234	16,684	6,911	112,215
Other financial assets:	4,095	9,362	59	712	14,228
Non-current investments	-	-	-	-	-
Other financial assets	988	-	-	-	988
Cash and cash equivalents	37,599	12,861	26,515	1,074	78,049
Total financial assets	**117,067**	**36,457**	**43,259**	**8,698**	**205,481**
Trade and other payables (including fleet)	149,177	38,165	28,319	13,894	229,555
Loans and borrowings	432,334	261,974	151,537	66,803	912,649
Total financial liabilities	**581,512**	**300,139**	**179,856**	**80,697**	**1,142,203**
NET EXPOSURE (TO EXCHANGE RISK) FOR NON-EURO COMPANIES	**(464,444)**	**(263,682)**	**(136,597)**	**(72,000)**	**(936,722)**

(in thousands of euros)	GBP	AUD	DKK	Total 2018
Trade and other receivables (including fleet)	94,791	20,549	8,046	123,386
Other financial assets:	3 889	60	702	4,651
Non-current investments	-	-	-	-
Other financial assets	75	-	-	75
Cash and cash equivalents	22,142	23,284	113	45,539
Total financial assets	**120,897**	**43,893**	**8,861**	**173,651**
Trade and other payables (including fleet)	121,637	30,937	10,228	162,802
Loans and borrowings	322,368	92,425	68,701	483,494
Total financial liabilities	**444,005**	**123,362**	**78,929**	**646,296**
NET EXPOSURE (TO EXCHANGE RISK) FOR NON-EURO COMPANIES	**(323,108)**	**(79,469)**	**(70,068)**	**(472,645)**

As of December 31, 2019, if the euro had evolved by plus or minus 15% against the pound sterling, all other variables being otherwise constant, net profit would have evolved by plus or minus 2.2 million euros (2018: 0.8 million euros) and equity would have varied more or less 53.5 million euros (2018: 84 million euros).

(vi) Interest rate risk

Apart from investments in bonds from the Euroguard insurance program (see "insurance risk"), the Group does not hold any significant interest-bearing assets. His income is therefore little subject to fluctuations in interest rates.

The Group is exposed to an upward risk on its variable rate financing: on the one hand, revolving financing lines, but also on vehicle rental contracts. Variable rate debt exposes the Group to interest rate cash flow risk. Fixed-rate loans expose the Group to fair value risk on interest rates.

In accordance with its hedging policy and in respect of part of its financial debts (specifically SARF, RCF, certain bilateral credit facilities and most leases) bearing interest at variable rates, the Group covers a large part of the risks of fluctuation in the reference interest rate, generally based on EURIBOR. In 2019 and 2018, a significant part of the Group's variable-rate loans were denominated in euros and based on EURIBOR. The Group may also hedge its exposure to the risks of fluctuations in the LIBOR and/or the Australian benchmark rate under its financing facilities in the United Kingdom and Australia.

The Group has decided the early application of the amendments to IFRS 9, IAS 39 and IFRS 7 "Interest Rate Benchmark Reform" published by the IASB on September 26, 2019. It is therefore benefiting from phase 1 of the project as described in Note 1.3.1.

The Group performs a dynamic analysis of its exposure to interest rate risk. Different scenarios are used to simulate refinancing, the renewal of existing positions, alternative financing and hedging transactions. Based on these scenarios, the Group calculates the impact on the result of a given change in interest rates. For each simulation, the same rate change is used for all currencies. Only the liabilities representing the main interest-bearing positions are subject to these scenarios.

On the basis of different scenarios, the Group manages the interest rate cash flow risk by using variable-fixed interest rate swaps or caps. The effect of these swaps is to convert variable rate debt into fixed rate debt. The caps offer protection against the rise of the EURIBOR. As a general rule, the Group takes long-term variable rate loans to finance the fleet, and converts them into fixed or protected rates generally lower than those it could obtain by borrowing directly at a fixed rate.

The Group is protected against a risk of rate hikes by two types of interest rate swap contracts:

- an interest rate swap with a nominal value of 1,000 million euros maturing on October 17, 2022 mainly used to hedge the interest rate risk on the SARF for which the Group pays a fixed interest rate average of 0.944% and receives a variable interest rate equal to the EURIBOR 1 month;
- an interest rate swap with a nominal value of 600 million euros maturing in June 2023 by which the Group pays a fixed interest rate of 1.36% and receives a variable interest rate equal to EURIBOR 6 months. On July 25, 2019, the Group rearranged this swap with effective date to June 20, 2019, reducing its fixed rate from 0.96% to 0.75% for the period ending on June 21 2021 and extending its maturity to December 20, 2024 at a fixed rate of 1.10%.

The Group also supplemented interest rate hedges by setting up additional caps for a total amount of 600 million euros at the protected rate of 0.50% due October 2022.

An outstanding amount of around 1 billion euros in variable-rate credit lines is backed by swaps (see table below), and an outstanding amount of approximately 0.6 billion euros in rental contracts variable rate is backed by swaps.

At closing, the breakdown of loans by type of rate is as follows:

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Non-current liabilities		
Fixed rate borrowings	1,534,654	1,682,913
Variable rate borrowings	277,951	57,754
variable rate hedged	*(6,396)*	*(5,181)*
variable rate not hedged	*284,345*	*62,934*
TOTAL NON-CURRENT LIABILITIES	**1,812,604**	**1,740,667**
Current liabilities		
Fixed rate borrowings	22,113	27,629
Variable rate borrowings	2,971,977	1,978,904
variable rate hedged	*1,647,673*	*902,074*
variable rate not hedged	*1,324,304*	*1,076,830*
TOTAL CURRENT LIABILITIES	**2,994,090**	**2,006,533**

The interest rate swaps carried by the Group are all qualified as cash flow hedges. Caps are not classified as hedging instruments.

The tests carried out in relation to these hedging instruments revealed an ineffectiveness valued at 1 million euro recorded as income in the income statement in 2019 (December 31, 2018: expense of 1.5 million euros).

As at December 31, 2019, if interest rates had increased by 100 basis points, the fair value recognized in comprehensive income would have increased by 23.2 million euros (December 31, 2018: 61 million euros).

As at December 31, 2019, had interest rates decreased by 100 basis points, the fair value recognized in comprehensive income would have decreased by 23.7 million euros (December 31, 2018: 65 million euros).

As at December 31, 2019, if interest rates had changed by 1%, the interest expense relating to the portion of the loans not hedged, all constant being equal, would have increased by more or less 19.6 million euros (December 31, 2018: 12.2 million euros).

8.4.2 Credit risk

Credit risk is managed at Group level. Credit risk arises from the following:

- cash and cash equivalents;
- derivative financial instruments;
- deposits with banks and financial institutions;

- credit exposures related to automobile manufacturers and dealers;
- accounts receivable, in particular receivables and outstanding commitments.

For banks and financial institutions, only counterparties with an independent rating are accepted. The use of credit limits is regularly monitored.

CREDIT RISK ANALYSIS RELATED TO LOANS AND RECEIVABLES

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Neither past due nor impaired [(1)]	2,657,971	1,916,816
Past due but not impaired	249,085	311,578
Impaired	54,304	41,778
TOTAL	**2,961,360**	**2,270,172**

(1) Net of provisions made for stolen or damaged vehicles – see Note 4.3.

The maximum exposure to credit risk on the closing date corresponds to the carrying value of loans and receivables. The Group does not hold any guarantee on these instruments.

Loans and receivables that are neither due nor impaired relate to various independent counterparties that have no recent history of default or anticipated default.

The Group's credit risk exposure linked to car manufacturers and dealers mainly comes from:

- the risk of non-recovery of receivables arising from buyout commitments by manufacturers;
- in direct relation to the previous point, the risk of having to finance these receivables;
- the risk, on an ancillary basis, of the bankruptcy of a major supplier and the ensuing uncertainties concerning the supply.

No single Europcar Mobility Group customer represents 10% or more of the Group's turnover in 2019.

In addition, the Group has taken general measures to control and reduce the credit risk to which the Company is exposed, in particular customer credit limits in the information system, monthly monitoring of car manufacturers' ratings, a monitoring process and control of the precedence of the receivables. The precedence of loans and receivables due but not impaired, except for loans and financial receivables, is analyzed below:

(in thousands of euros)	**Not yet expired**	**Expired for less than 3 months**	**Expired for 3 to 6 months**	**Expired for more than 6 months**	**Total**
Vehicle buy-back agreement receivables	1,698,157	-	-	-	1,698,157
Fleet receivables	679,859	128,431	8,587	9,818	826,695
Rental receivables	185,524	52,155	11,238	21,757	270,673
Customers	31,868	4,439	1,790	7,535	45,632
Other receivables	69,048	3,588	8	9	72,653
TOTAL AT DECEMBER 31, 2019	**2,660,841**	**188,612**	**21,623**	**39,119**	**2,910,195**

(in thousands of euros)	Not yet expired	Expired for less than 3 months	Expired for 3 to 6 months	Expired for more than 6 months	Total
Vehicle buy-back agreement receivables	1,420,070	-	-	-	1,420,070
Fleet receivables	480,997	153,598	6,842	8,878	650,315
Rental receivables	166,374	66,891	15,602	18,065	266,932
Customers	37,871	3,496	301	6,711	48,379
Other receivables	54,300	1,095	-	-	55,395
TOTAL AT DECEMBER 31, 2018	**2,159,612**	**225,080**	**22,745**	**33,654**	**2,441,091**

8.4.3 Price risk

The Group is not exposed to equity risk in view of the insignificant amounts of financial investments it holds, whether they are classified in the consolidated balance sheet as available for sale, or recognized at fair value through profit or loss.

The Group is not directly exposed to the price risk on raw materials; however, it is exposed to the risk associated with the increased cost of vehicle ownership.

8.4.4 Liquidity risk

The Group is currently monitored by the rating agencies Moody's and Standard & Poor's, which have respectively assigned it the following ratings: B1 negative outlook and BB- negative outlook.

Management monitors rolling forecasts for the Group's liquidity reserve based on expected cash flows on a consolidated basis. The internal reporting of liquidity forecasts and forecast availability is carried out for each operational entity. These forecasts are consolidated at the level of the Group Treasury Department and then analyzed by Group management and operational units.

The budget, which served as the basis for calculating liquidity forecasts for the 2020 financial year, was prepared on the basis of assumptions taking into account the impact of current economic uncertainties.

The liquidity risk management policy involves maintaining sufficient availability on credit lines, and having secured credit lines of an appropriate amount. Given the dynamic nature of its underlying activities, notably the seasonality, the funding flexibility is ensured by revolving credit lines guaranteed in the medium to long term.

The table below analyzes the Group's financial debts, including derivative financial instruments, by maturity range, based on the residual contractual maturities at the balance sheet date. The amounts presented in the table correspond to undiscounted contractual cash flows. Balances at less than one year correspond to book values, the impact of discounting being negligible.

		Less than a year		Between 1 and 5 years		More than 5 years			
(in thousands of euros)	Book value	Principal	Interests	Principal	Interests	Principal	Interests	Principal	Total Interests
December 31, 2019									
Notes issued	1,540,117	-	54,625	1,100,000	246,323	450,000	24,000	1,550,000	324,948
Bank borrowings and finance lease liabilities	1,299,303	1,298,571	26,612	8,027	201	-	-	1,306,598	26,813
Senior asset financing facility	1,130,519	-	12,591	1,134,049	25,182	-	-	1,134,049	37,774
Other borrowings	836,755	560,435	20,919	276,320	6,908	-	-	836,755	27,827
Derivative liabilities	64,161	-	-	-	64,161	-	-	-	64,161
Trade and fleet payables	628,895	628,895	-	-	-	-	-	628,895	-
Deposits	59,037	59,037	-	-	-	-	-	59,037	-
TOTAL FINANCIAL LIABILITIES	**5,558,787**	**2,546,935**	**114,747**	**2,518,396**	**342,775**	**450,000**	**24,000**	**5,515,333**	**481,522**

(in thousands of euros)	Book value	Less than a year		Between 1 and 5 years		More than 5 years		Total	
		Principal	Interests	Principal	Interests	Principal	Interests	Principal	Interests
December 31, 2018									
Notes issued	1,686,367	-	71,125	1,100,000	291,010	600,000	22,688	1,700,000	384,823
Bank borrowings and finance lease liabilities	893,327	894,653	8,782	6,730	34	-	-	901,383	8,815
Senior asset financing facility	674,894	-	9,942	680,501	29,825	-	-	680,501	39,767
Other borrowings	492,611	436,407	2,463	56,204	281			492,611	2,744
Derivative liabilities	60,415	-	-	-	60,415	-	-	-	60,415
Trade and fleet payables	644,169	644,169	-	-	-	-	-	644,169	-
Deposits	42,103	42,103	-	-	-	-	-	42,103	
TOTAL FINANCIAL LIABILITIES	**4,493,886**	**2,017,332**	**92,312**	**1,843,435**	**381,565**	**600,000**	**22,688**	**4,460,767**	**496,564**

Revolving credit facilities are classified on the balance sheet as current liabilities given their nature.

The table below shows the credit limits and balances with the three major counterparties at the reporting date:

(in thousands of euros)	**At December 31, 2019**		At December 31, 2018	
	Credit limit	**Utilized**	Credit limit	Utilized
Revolving credit [(1)]	650,000	315,584	500,000	242,300
Senior asset financing lines related to fleet financing	1,700,000	1,134,049	1,700,000	680,501
Financing other than senior asset financing lines related to fleet financing [(2)]	1,982,753	1,751,276	2,013,219	1,475,268

(1) Amounts drawn include the revolving credit facility of 315 million euros as of December 31, 2019 (2018: 230 million euros) and guarantees given in connection with the Group's operational activities.
(2) Mainly concerns the activities of the UK fleet, Goldcar, Buchbinder, Australia, Denmark, Ireland, Spain, Italy and Portugal which are financed by different lines of credit other than the first rank loan to finance the fleet.

8.4.5 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

8.4.6 Insurance risks

The Group's operating subsidiaries located in France, the United Kingdom, Portugal, Belgium, Italy, Ireland and Germany buy local motor third party liability insurance policies through AIG Europe Limited entities, which reinsure part of such risks with a reinsurance structure hosted by Euroguard, a protected cell reinsurance company. The Group owns a reinsurance cell (9) within Euroguard, which has been consolidated since January 2006. Local Europcar entities finance a significant portion of the risk through a franchise funding mechanism managed via another cell (0) located within Euroguard, which acts simply as a fund manager. The funds hosted in this cell are also consolidated.

The Spanish, Australian, New Zealand, Danish and also Goldcar, Buchbinder and Fox subsidiaries buy insurance coverage in their local markets using conventional risk transfer mechanisms.

The objective of the Group is to have the various countries and acquisitions take out motor vehicle liability insurance policies with AIG Europe SA entities. Comparative studies are initiated during policy renewals, as was the case in 2019 for Buchbinder and certain Goldcar countries.

(i) Frequency and severity of claims

The Group uses its auto fleet liability insurance programs to insure against property damage and bodily injury caused to third parties by the drivers of Europcar vehicles. Because auto liability insurance is mandatory, the risk is initially transferred from ground up to the insurer, but partly funded and reinsured by Europcar as a group on the back-end side through various risk self-financing techniques.

The cost of Europcar's auto fleet liability risk is based on a combination of frequency and severity events. Europcar has developed a strategy based on self-financing frequent risks and effectively transferring severity risk to the insurer (applicable to the main countries in which the Group operates, with the exception of Spain, Australia and New Zealand for the reasons set out above):

- operating a large fleet entails significant risk of the occurrence of multiple small third-party claims. The expense stemming from these small claims can be predicted with a good level of certainty by actuaries, who factor into their projections the variation in activity and trends observed in the various countries. A line of 500,000 euros per claim is self-insured in this manner;
- operating a fleet also results in the occurrence of more random and more costly events, essentially bodily injury claims from third parties invoking Europcar's liability. Such events cannot be anticipated by actuaries with a satisfactory level of certainty, which is why the portion of risk exceeding 500,000 euros is carried by the insurer.

The trend observed in the markets where Europcar operates is an increase in the unit cost of bodily injury claims. This is due to economic, legal and social factors.

(ii) Sources of uncertainty in the estimation of future claim payments

Claims falling within the scope of motor third party liability insurance policies give rise to compensation payable on a case-by-case basis. The Group, by virtue of the self-insurance component of the program, financially bears all claims insured up to 500,000 euros per claim over the period. Part of the claims occurring during a given insurance period materializes after the expiry of this period due to the late notification of claims and changes during the period subsequent to the period covered (usually due to a deterioration in the health status of the victim or the judicial character of the case). As a result, liability claims are settled over a long period of time and a larger element of the claims provision relates to incurred but not reported claims (IBNR).

(iii) Changes in assumptions and methodology

The Group did not change any of the main assumptions or methodologies for the insurance contracts disclosed in this Note in 2019.

8.5 Derivative financial instruments

Total interest rate derivatives eligible for hedge accounting

(in thousands of euros)	Nominal	Indexing	Qualification	**Fair value at 12/31/2019**	Fair value adjustments during period	Impact on financial income	Impact on equity
Interest rate swaps expiring in 2023-0.94%	1,000,000	1-month Euribor	Swap CFH	(33,974)	(10,284)	1,041	9,243
Interest rate swaps expiring in 2024 – 1.10% (1)	600,000	6-month Euribor	Swap CFH	(29,690)	(13,534)	-	(13,534)
Interest rate caps expiring in 2022 – 0,50%	600,000	1-month Euribor	Not qualified	133	(2,049)	(2,049)	-
ASSET SWAPS	**2,200,000**			**(63,531)**	**(5,299)**	**(1,008)**	**(4,291)**

(1) Lowering of the fixed rate from 0.96% to 0.75% for the period ending on June 21, 2021 and extension of the maturity on December 20, 2024 at the fixed rate of 1.10%.

(in thousands of euros)	Nominal	Indexing	Qualification	Fair value at 12/31/2018	Fair value adjustments during period	Impact on financial income	Impact on equity
Interest rate swaps expiring in 2022 – 0.5161% (1)	1,000,000	1-month Euribor	Swap CFH	(44,258)	(14,138)	(1,477)	(12,661)
Interest rate swaps expiring in 2021 – 0.96%	600,000	6-month Euribor	Swap CFH	(16,156)	(9,154)	-	(9,154)
Interest rate caps expiring in 2022 – 0,50% (2)	600,000	1-month Euribor	Not qualified	2,182	(3,632)	(3,632)	-
ASSET SWAPS	**2,200,000**			**(58,232)**	**(26,924)**	**(5,109)**	**(21,815)**

(1) Maturity extended until October 2022 with the average fixe rate of 0,516%.
(2) Existing Caps for 200 million euros have been renegotiated. Maturity has been extended to 2022 and additional Caps have been implemented with 0.50% protected rates.

The fair value of a hedging derivative instrument is fully recognized as a non-current asset or liability when the residual maturity of the hedged item is more than 12 months, and as a current asset or liability when the hedged item matures. is less than 12 months.

The forward swap contracts meet the criteria for cash flow hedge accounting and the Group therefore recognizes the effective part of the changes in fair value of this swap in equity. In 2019, income of 1 million euros was recorded in financial income, for the ineffectiveness generated by the Eur1 month swap forward (in 2018 the charge was 1.5 million euros).

The inclusion of credit risk in the valuation of derivatives has no significant impact on their fair value at December 31, 2019.

8.6 Other information relating to financial assets and liabilities

8.6.1 Classification and measurement of financial assets and liabilities at fair value

This Note presents the fair value measurement methodology for the Group's financial assets and liabilities. The Group's financial risk management policy is detailed in Note 8.4 "Financial risk management".

The fair value of financial assets and liabilities traded on an active market (such as non-consolidated securities) assessed on the basis of market prices on the closing date. The closing market price used to value the financial assets held by the Group is the current offered price: level 1 in the fair value hierarchy.

The fair value of financial assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Group uses different methods and uses assumptions based on the market conditions observed at each reporting date. Market prices or prices provided by operators for similar instruments are used for long-term debt. Other techniques, such as estimating discounted cash flows, are used to calculate the fair value of other financial assets. The fair value of interest rate swaps is determined using the discounted cash flow method: level 2 in the fair value hierarchy.

The book value less the provision for impairment of receivables and debts is presumed to be close to the fair value of these items.

Given the maturity of the financial debts, other debts and their respective interest rates, management has concluded that the fair value of the financial liabilities is close to their book value, except for the bond loans maturing in 2022 and 2026, the fair value of which was determined using quoted prices at December 31, 2019 and December 31, 2018 on the Euro MTF market.

The fair value of other financial assets and liabilities (investments, other assets, trade payables and receivables) is close to their book value given their short-term maturity.

The fair values of financial assets and liabilities, as well as their book values entered in the balance sheet, are detailed below:

Fair value at December 31, 2019 *(in thousands of euros)*	Notes	**Carrying value**	**Fair value**	**Fair value through profit or loss**	**Fair value through equity**	**Fair value at amortized cost**
Customers	6.2.1	388,958	388,958	-	-	388,958
Deposits and prepayments	8.1	32,143	32,143	-	-	32,143
Vehicle buy-back agreement receivables	4.3	3,210,147	3,210,147	-	-	3,210,147
Fleet receivables	4.4	826,695	826,695	-	-	826,695
Deposits, other receivables and loans	6.2.1	23,189	23,189	-	-	23,189
Total of loans and receivables		**4,481,132**	**4,481,132**	**-**	**-**	**4,481,132**
Investments in non-consolidated entities	8.1	497	497	-	497	-
Current financial assets	8.1	14,844	14,844	-	-	14,844
Restricted cash	8.2	116,518	116,518	116,518	-	-
Cash and cash equivalents	8.2	527,019	527,019	527,019	-	-
Derivative assets	8.5	-	-	-	-	-
TOTAL FINANCIAL ASSETS (1)		**5,141,893**	**5,141,893**	**643,537**	**497**	**4,497,859**
Notes and borrowings	8.3.3	1,814,910	1,542,930	-	-	1,542,930
Trade payables	6.3	628,895	628,895	-	-	628,895
Fleet payables	4.4	711,802	711,802	-	-	711,802
Bank overdrafts and portion of loans due in less than one year	8.3.3	2,991,785	2,991,785	-	-	2,991,785
Derivative liabilities	8.5	64,161	64,161	-	64,161	-
TOTAL FINANCIAL LIABILITIES (1)		**6,211,552**	**5,939,572**	**-**	**64,161**	**5,875,411**

(1) The financial assets and liabilities have not been contracted with the same counterparties and are therefore not subject to compensation.

Fair value at December 31, 2018 *(in thousands of euros)*	Notes	Carrying value	Fair value	Fair value through profit or loss	Fair value through equity	Fair value at amortized cost
Customers	6.2.1	370,706	370,706	-	-	370,706
Deposits and prepayments	8.1	21,316	21,316	-	-	21,316
Vehicle buy-back agreement receivables	4.3	2,434,448	2,434,448	-	-	2,434,448
Fleet receivables	4.4	650,315	650,315	-	-	650,315
Deposits, other receivables and loans	6.2.1	19,424	19,424	-	-	19,424
Total of loans and receivables		**3,496,209**	**3,496,209**	**-**	**-**	**3,496,209**
Investments in non-consolidated entities	8.1	96	96	-	96	-
Other financial assets	8.1	11,970	11,970	-	-	11,970
Restricted cash	8.2	90,490	90,490	90,490	-	-
Cash and cash equivalents	8.2	357,847	357,847	357,847	-	-
Derivative assets	8.5	1,544	1,544	1,544	-	-
TOTAL FINANCIAL ASSETS (1)		**3,958,156**	**3,958,156**	**449,881**	**96**	**3,508,179**
Notes and borrowings	8.3.3	1,733,937	1,671,411	-	-	1,671,411
Trade payables	6.3	586,573	586,573	-	-	586,573
Fleet payables	4.4	566,970	566,970	-	-	566,970
Bank overdrafts and portion of loans due in less than one year	8.3.3	2,013,263	2,013,263	-	-	2,013,263
Derivative liabilities	8.5	60,415	60,415	-	60,415	-
TOTAL FINANCIAL LIABILITIES (1)		**4,961,158**	**4,898,633**	**-**	**60,415**	**4,838,218**

(1) The financial assets and liabilities have not been contracted with the same counterparties and are therefore not subject to compensation.

The level in the fair value hierarchy at which fair value measurements are categorized, for assets and liabilities measured in the statement of financial position, is as follows:

(in thousands of euros)	**At December 31, 2019**	Level 1	Level 2	Level 3
Assets measured at fair value				
Other financial assets	497	497	-	-
Cash and cash equivalents	643,537	643,537	-	-
TOTAL	**644,034**	**644,034**	**-**	**-**

(in thousands of euros)	**At December 31, 2019**	Level 1	Level 2	Level 3
Liabilities measured at fair value				
Derivative liabilities	64,161	-	64,161	-
TOTAL	**64,161**	**-**	**64,161**	**-**

Time-frame for recycling items from OCI to profit and loss:

(in thousands of euros)	**At December 31, 2019**	2020	2021	2022	2023	2024
Recycling of completed operations	-	-	-	-	-	-
Recycling of operations in progress	64,161	18,994	22,268	18,902	3,997	-

8.6.2 Lease receivables factoring program

From the end of 2019, the Group implemented a factoring program covering 5 subsidiaries, with a specialized factoring company.

For the 2019 financial year, factoring operations resulted in:

- the assignment of receivables representing turnover including VAT and all assignors in the order of 32.4 million euros in total;
- a total charge expensed from factoring organizations of 0.3 million euros divided between 0.2 million of factoring commissions and interest charges close to zero.

As of December 31, 2019, the outstanding receivables ceded and financed amounted to 20.5 million euros, thereby reducing the Group's net debt. The guarantee fund amounted to 2.8 million euros on this date.

The Group has justified the deconsolidating nature of this factoring program, in particular on the basis of the following elements:

- on the one hand, the contractual rights to the transferred cash flows, taking into account a conventional subrogation;
- and on the other hand, almost all of the risks and benefits attached to the assigned receivables, in accordance with the conditions of contract eligibility.

Note 9 Employee benefits and share payments

a) Employee benefits

The Group provides its employees with post-employment benefits through defined contribution and defined benefit pension plans.

DEFINED CONTRIBUTION PENSION PLANS

A defined contribution pension plan is a pension plan under which the Group makes fixed contributions to an independent entity or to a pension fund. The Group is not bound by any legal or implicit obligation to pay additional contributions if the fund does not have enough assets to pay all the benefits due for the current financial year and for previous financial years. The Group contributes to public plans and takes out insurance for the benefit of certain members of staff, who are considered to be defined contribution plans. Contributions to plans are expensed during the period during which the services are rendered by the members of the personnel.

DEFINED BENEFIT PENSION PLANS

Pension plans that do not meet the definition of a defined contribution plan are defined benefit plans. Under the Group's defined benefit pension plan, the amount of pension that a member of staff will receive upon retirement is defined by reference to their seniority and their end-of-career salary.

The Group retains a legal obligation for the benefits, even if the plan assets used to finance the defined benefits have been reserved. Plan assets may include assets specifically earmarked for a long-term pension fund.

The Group's net commitment under defined benefit pension plans is assessed by an independent actuary using the projected unit credit method. This method requires the selection of specific actuarial assumptions which are detailed in this Note. These actuarial valuations are carried out at each balance sheet date by estimating the present value of the amount of the future benefits acquired by the members of the personnel in return for the services rendered during the current and previous years, and includes the impact of future increases in wages.

Pension plan assets are generally held by separate legal entities and are measured at fair value, as determined at each reporting date.

In accordance with IAS 19, the liability recorded in the balance sheet for defined benefit pension plans corresponds to the present value of the commitment relating to defined benefit plans at the balance sheet date, less the fair value of the assets of regimes.

From one year to another, the differences between on the one hand the anticipated liabilities and their re-estimated amounts and on the other hand the expected level of dedicated assets and their actual level constitute the actuarial differences, which are accumulated at the level of each pension plan. These actuarial differences can come either from the modification of the actuarial assumptions used at the closing, or from adjustments linked to experience arising from the modification, during the fiscal year, of the assumptions used at the closing of the previous fiscal year.

The Group recognizes actuarial gains and losses in other comprehensive income in the "Statement of comprehensive income" during the period in which they occur.

The cost of past services is immediately recognized in operating expenses under the heading "Personnel expenses".

The discounting effects and the expected return on plan assets are recognized in financial income (see Note 9).

LONG-TERM BENEFITS

The Group's net commitment for long-term benefits other than pension plans (or post-employment benefit plans) represents the future benefits that employees have acquired in return for services rendered during the current period and previous periods, for example the Labor Medal in France and the Jubilee in Germany. The commitment, determined using the projected unit credit method, is calculated at its present value. The provision is recognized net of the fair value of all related assets (i.e. all actuarial differences and the cost of past services are recognized immediately in the consolidated income statement).

INCENTIVE AND BONUS PLANS

The Group recognizes a liability and an expense for bonuses and profit-sharing, on the basis of a formula which includes the result accruing to the Shareholders of Europcar Mobility Group, taking into account certain adjustments. The Group recognizes a provision when it is bound by a contractual obligation.

The related costs are recognized in Personnel costs (see below).

b) Payments per share

The Group has implemented free share plans for the benefit of its managers and certain of its employees. The fair value of these plans is equal to the value of the free shares on the grant date and takes into account the valuation of the restriction during the possible unavailability period. These plans give rise to the recognition of a personnel expense spread over the vesting period. The estimate of the expense to be recognized takes into account the staff turnover rate over the vesting period.

9.1 Personnel costs

9.1.1 Personnel costs

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Wages and salaries [(1)]	(401,326)	(382,669)
Social security contributions	(98,524)	(94,261)
Post-employment benefits	(6,540)	(7,179)
Other items	(15,910)	(16,227)
TOTAL PERSONNEL COSTS	**(522,300)**	**(500,336)**

(1) Includes costs related to bonuses and profit-sharing, as well as IFRS 2 impacts relating to free share plans, i.e. a charge of 0.7 million euros in 2019 including social charges (against a charge 2.9 million euros in 2018).

9.1.2 Headcount

(in average number of FTEs)	**Twelve months 2019**	Twelve months 2018
Total of staff	**9,601**	**8,999**

The workforce data given above represents annual averages within the Group, excluding data relating to entities acquired in Finland, Norway and the United States (Fox Rent A Car), groups of companies acquired by Europcar Mobility Group in 2019.

The Group also uses a certain number of temporary or seasonal employees and uses outsourced services, mainly for moving and cleaning vehicles during peak periods and in accordance with the laws applicable in each of the countries where the Group offers its services.

These numbers are not included in the data presented above.

9.2 Employee benefits

	At December 31, 2019			At December 31, 2018		
(in thousands of euros)	**Pensions**	**Other LT employee benefits**	**Total**	Pensions	Other LT employee benefits	Total
Non current	158,958	2,607	161,565	139,612	2,746	142,358
Current	3,275	-	3,275	3,192	-	3,192
TOTAL	**162,233**	**2,607**	**164,840**	**142,804**	**2,746**	**145,550**

9.2.1 Net liabilities recognized in the statement of financial position

The Group has defined benefit pension obligations for some of the Group's employees in the United Kingdom, France, Germany, Italy and Belgium.

(in thousands of euros)		**At December 31, 2019**	At December 31, 2018
Present value of funded or partially funded obligations 7	(A)	(76,514)	(70,207)
Fair value of plan assets	(B)	68,510	60,707
Surplus/(Deficit) at period end [(1)]		**(8,004)**	**(9,500)**
Present value of unfunded obligations	(C)	(154,229)	(133,304)
Unrecognized prior service costs		-	-
Net liability for defined benefit obligations at end of period		**(162,233)**	**(142,804)**
Inc.:			
A statement of financial position liability of		162,233	142,804
A statement of financial position asset of		-	-

(1) Mainly in the United Kingdom and Belgium.

9.2.2 Change in net liabilities recognized in the statement of financial position

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Net liability for defined benefit obligations at January 1st	(142,804)	(134,207)
Changes in scope of consolidation	-	(97)
Settlements	812	520
Contributions paid into plan	1,049	728
Benefits paid	3,347	3,263
Current service cost, interest expense and expected return on plan assets	(4,577)	(4,433)
Past service cost	-	(578)
Actuarial gains/(losses) recognized in equity [(1)]	(20,440)	(8,067)
Curtailments	-	-
Foreign currency differences	380	67
NET LIABILITY FOR DEFINED BENEFIT OBLIGATIONS AT END OF PERIOD	**(162,233)**	**(142,804)**

(1) In 2019, the pension commitments relating to Germany were revalued by (19.5) million euros mainly taking into account the change at December 31, 2019 in the discount rate based on the obligations of 1st category companies in Germany (0.70% as of December 31, 2019 versus 1.60% as of December 31, 2018). In 2018, the retirement commitments relating to Germany were revalued by (6.6) million euros.

9.2.3 Movement in defined benefit obligations

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Defined benefit obligations at January 1st	(203,511)	(200,182)
Settlements	812	520
Defined benefit obligations acquired as part of a business combination	-	(97)
Benefits paid	5,937	6,171
Current service cost	(2,217)	(2,430)
Past service cost	-	(578)
Interest on obligations	(3,918)	(3,537)
Actuarial gains/(losses) recognized in equity	(26,481)	(3,899)
Foreign currency differences	(1,366)	521
COMMITMENTS UNDER DEFINED BENEFIT PLANS AT THE END OF THE PERIOD(A)+(C)	**(230,743)**	**(203,511)**

9.2.4 Plan assets

	2019		2018	
(in % (average))	**Eurozone**	**United Kingdom**	Eurozone	United Kingdom
Equities	0%	29%	0%	26%
Debt	0%	15%	0%	52%
Other assets	100%	56%	100%	22%

9.2.5 Change in assets of the defined benefit plans

(in thousands of euros)		**At December 31, 2019**	At December 31, 2018
Fair value of plan assets at January 1		60,707	65,974
Contributions paid into plan		1,049	728
Benefits paid		(2,590)	(2,908)
Expected rate of return on plan assets		1,558	1,534
Actuarial gains/(losses) recognized in equity		6,041	(4,168)
Foreign currency differences		1,745	(453)
FAIR VALUE OF PLAN ASSETS AT END OF PERIOD	**(B)**	**68,510**	**60,707**

9.2.6 Expenses recognized in the income statement for defined benefit plans

(in thousands of euros)	**Twelve months 2019**	Twelve months 2018
Current service costs	(2,217)	(2,430)
Interest on obligations	(3,918)	(3,537)
Expected rate of return on plan assets	1,558	1,534
Past service cost	-	(578)
Curtailments/settlements	812	520
EXPENSES RECOGNIZED IN THE INCOME STATEMENT FOR DEFINED BENEFIT PLANS	**(3,765)**	**(4,491)**

The expense is recognized in "Personnel expenses", as analyzed in Note 7, except for the financial cost and the expected return on plan assets, which amounted to 2.4 million euros. In the three main countries (France, Germany and the United Kingdom), the estimated expense recognized in the income statement for the year 2020, based on the assumptions at December 31, 2019, would amount to 3.4 million euros.

9.2.7 Actuarial assumptions

Group obligations are valued by an external independent actuary, based on assumptions at the reporting date that are periodically updated. These assumptions are set out in the table below:

	2019			2018		
	Eurozone excl. Germany (1)	**Germany**	**United Kingdom**	Eurozone excl. Germany (1)	Germany	United Kingdom
Discount rate	0.70%	0.70%	2.05%	1.60%	1.60%	2.85%
Inflation rate	De 1.00% à 1.80%	1.90%	3.10%	De 1.50% à 1.90%	1.90%	3.35%
Expected rate of salary increase	De 1.70% à 3.50%	2.00%	-	De 1.90% à 3.50%	2.00%	-
Expected rate of pension increase	De 0.00% à 1.75%	1.75%	3.05%	De 0.00% à 2.63%	1.75%	3.10%
Expected rate of return on plan assets	0.70%	N/A	2.05%	1.60%	N/A	2.85%

(1) The eurozone includes plans in Italy, France and Belgium expressed as a weighted average.

The discount rate is the yield at the reporting date on bonds with a credit rating of at least AA that have maturities similar to those of the Group's obligations.

A 0.25% increase in the discount rate would reduce the benefit obligation by 10 million euros; a 0.25% decrease in the discount rate would increase the benefit obligation by 11 million euros.

The estimated return on plan assets has been determined based on long-term bond yields. All of the plan assets are allocated to United Kingdom and Belgian employees.

Assumptions concerning long-term returns on plan assets are based on the discount rate used to measure defined benefit obligations. The impact of the revised IAS 19 is not material for Europcar Mobility Group.

Assumptions regarding future mortality rates are based on best practice and published statistics and experience in each country.

9.2.8 Actuarial gains and losses recognized directly in equity (net of deferred tax)

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Cumulative opening balance	(54,610)	(49,261)
Gain/(loss) recognized during the year/period	(14,079)	(5,349)
Cumulative closing balance	**(68,689)**	**(54,610)**

9.2.9 Experience adjustments

(in thousands of euros)	**2019**	2018	2017	2016	2015	2014	2013
Present value of defined benefit obligations	(61,624)	(57,597)	(63,305)	(68,320)	(63,917)	(61,369)	(50,720)
Fair value of plan assets	60,654	54,280	59,960	63,053	65,992	61,669	49,880
(surplus)/deficit	970	3,317	3,345	5,266	(2,075)	(300)	(840)
Experience adjustments to plan liabilities	-	-	-	(962)	(247)	1,372	313
Experience adjustments to plan assets	5,885	(4,149)	1,651	5,097	(1,071)	36	1,444

9.2.10 Contributions to defined contribution plans

In 2019, the Group paid contributions to defined-contribution schemes of 4.5 million euros (2018: 4.2 million euros).

9.3 Share-based payments

The Group has established plans granting free shares to management and certain employees. The fair value of these plans is equal to the value of the free shares on the grant date, and takes into account of the valuation of the restriction during any lock-in period (see Note 8). These plans result in the recognition of a personnel expense spread over the vesting period. The estimated cost to be recognized takes into account the employee turnover rate over the vesting period.

The Company's Extraordinary Shareholders' Meeting dated as of 10 May 2016, in its 12th resolution, authorized the implementation free performance shares award scheme, in favor of some employees or managers of the Group. This authorization has been given for a 26-months period and is valid until July 8, 2019.

(i) "AGA18"

On March 20, 2018, the Supervisory Board authorized the Management Board to implement free performance shares award scheme for the management and certain employees of the Group ('AGA 18' plan).

The acquisition of these performance shares, following a vesting period of three years, is subject to the beneficiary's continued employment with the Group on the vesting date, and the achievement of the following performance conditions for the fiscal year ended December 31, 2018, December 31, 2019 and December 31, 2020, performance conditions related to (i) Group EBITDA, (ii) revenue, and (iii) a relative TSR (Total Shareholder Return).

In addition, following the vesting period of three years, no retention period is planned.

The number of free shares initially granted was 901,781. As at December 31, 2019, 772,181 free-shares on AGA 18 are still outstanding.

(ii) "AGA19"

The Supervisory Board examined and authorized on March 20, 2019 the main terms and conditions for a free share grant plan to be implemented in 2019 for members of the Management Board, executive corporate officers and certain other managers of the Group (the "Free Shares 2019 Plan").

The acquisition of these performance shares, following a vesting period of three years, is subject to the beneficiary's continued employment with the Group, and the achievement of the following performance conditions for the fiscal years ended December 31, 2019, December 31, 2020 and December 31, 2021 related to Cumulative Group Revenue, the average corporate EBITDA margin rate and relative TSR (Total Shareholder Return).

Furthermore, following the vesting period, is equal to 3 years, no retention period is required for free shares.

The number of free shares initially granted was 968,000. At December 31, 2019, 960,000 free shares under AGA 19 were still vesting.

The details of the plans are below:

	Type of plan	Grant Date	Number of shares initially granted	Number of shares outstanding	Vesting period	Vesting date	Estimated fair value *(in euros)* [(1)]
AGA 18	Free shares	July 25, 2018	658,981	591,981	3 years	July 25, 2021	7.98
AGA 18	Free shares	October 25, 2018	242,800	180,200	3 years	October 25, 2021	7.57
AGA 19	Free shares	May 22, 2019	573,000	573,000	3 years	May 22, 2022	5.92
AGA 19	Free shares	November 4, 2019	395,000	387,000	3 years	November 4, 2022	2.90

(1) Fair value at grant date.

The 20% employer contribution for the AGA 18 and AGA 19 plans was calculated on a basis corresponding to the fair unit value of the shares as estimated at the grant date.

Movements relating to the free shares in 2019 and 2018, to which IFRS 2 standard "Share-based payments" applies, are as follows:

	Number of free shares
Currently vesting as of January 1, 2018	576,100
Granted	883,781
Cancelled	(17,200)
Delivered	-
Currently vesting as of December 31, 2018	1,442,681
Granted	960,000
Cancelled	(227,280)
Delivered	(451,220)
CURRENTLY VESTING AS OF DECEMBER 31, 2019	**1,732,181**

In December 31, 2019, the impact on the income statement for services received was an expense of 0.7 million euros compared with 2.5 million euros as at December 31, 2018. The counterpart has been credited to equity.

Significant assumptions used

The weighted average fair value of the allocated shares was determined on the grant date using the Monte Carlo simulation model.

For the AGA 18 and AGA 19 plans, the dividend rate was 3%. The fair values on the grant date were calculated by restating the amount of dividends discounted during the vesting period.

Note 10 Provisions, risks and litigations

A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Provision is made for the estimated value of uninsured losses from both known and incurred but not reported third-party claims on an actuarially determined basis. Where these claims are expected to be settled over a longer period of time, the provision made represents the present value of the expected expenditure required to settle the obligation. Any excess of this prepayment over the estimated liabilities is subject to an assessment of recoverability, and a provision is set aside if necessary.

In the normal course of its business activities, the Group is subject to certain claims and investigations relating to compliance with laws and regulations in various jurisdictions, including some with fiscal or competition authorities. The Group generally records a provision whenever a risk represents the probability of a cash disbursement towards a third party without compensation and when the possible loss that may result can be estimated with sufficient accuracy.

A provision on vehicle buy-back and reconditioning costs is recognized over the holding period of the vehicles. The impact of discounting provisions is recognized in other financial expenses.

10.1 Provisions

(in thousands of euros)	Insurance claim provisions	Reconditioning provisions	Other provisions	Total
Balance at January 1, 2018 restated	**110,760**	**37,026**	**86,999**	**234,785**
Provisions recognized during the period	88,354	92,720	15,439	196,513
Provisions utilized during the period	(87,159)	(92,251)	(23,371)	(202,782)
Provisions reversed during the period	(3,400)	(1,906)	(2,046)	(7,352)
Changes in scope of consolidation	-	-	(2)	(2)
Transfer	(3)	4,083	(745)	3,335
Effect of foreign exchange differences	(211)	(91)	(377)	(679)
Balance at December 31, 2018	**108,341**	**39,581**	**75,898**	**223,818**
Non-current	-	-	*2,925*	*2,925*
Current	*108,341*	*39,581*	*72,971*	*220,893*
Total provisions	**108,341**	**39,581**	**75,897**	**223,818**
Balance at January 1, 2019 restated	**108,341**	**39,581**	**75,898**	**223,818**
Provisions recognized during the period	73,537	86,385	13,535	173,458
Provisions utilized during the period	(76,759)	(88,975)	(14,366)	(180,099)
Provisions reversed during the period	(1,017)	-	-	(1,017)
Changes in scope of consolidation	3,143	-	9	3,152
Transfer	-	-	-	-
Effect of foreign exchange differences	1,232	346	2,393	3,971
BALANCE AT DECEMBER 31, 2019	**110,277**	**37,337**	**77,469**	**225,082**
Non-current	-	-	*5,132*	*5,132*
Current	*110,278*	*37,337*	*77,469*	*219,950*
TOTAL PROVISIONS	**110,278**	**37,337**	**77,469**	**225,082**

(i) Insurance claim provisions

Most of these provisions relate to the insurance risks described in the Section "Financial risk management". For the portion of the self-financed automotive liability risk, Europcar annually establishes a cost schedule for the insurance and brokerage costs, taxes and cost of the self-financed portion for each country. The cost is determined by day of rental and is included in the budget instructions sent to each country at the end of the year. Based on the cost per day of rental, Europcar entities set aside funds to cover costs based on the self-financed portion that will pay claims when benefits are actually due to third parties.

(ii) Reconditioning provisions

The provision for reconditioning relates to costs incurred for the present fleet at the end of the buy-back agreement period.

Europcar acquires a large proportion of its vehicles from car manufacturers with buy-back commitments at the end of the contract. These contracts usually stipulate that the vehicles must be returned at the end of a certain period (less than 12 months) and in a certain "condition" (mileage, cleanliness, etc.). Consequently, the Group has commitments to these manufacturers under these contracts and recognizes a provision to cover the cost of restoring the fleet at the balance sheet date. This cost is determined from statistics compiled by the Fleet Department over the last 6 to 12 months. There are no specific key assumptions, but only statistical support.

(iii) Other provisions

Other provisions relate mainly to reserves for:

- risks and liabilities for damages to cars financed through operating leases;
- restructuring costs (personnel costs and the costs of moving the Group's head office);
- litigation costs include litigation with franchisees, employee disputes and accident claims.

10.2 Contingencies

Within the normal scope of its current operations, the Group is subject to legal, administrative or regulatory procedures. Under accounting standards applicable to the Group, a provision is recorded in the balance sheet when the Group is liable for an obligation resulting from a past event, when it is possible that economic resources will be needed to satisfy the obligation and the amount of said obligation can be reliably estimated.

The main disputes and proceedings currently in progress or that have evolved during the period are as follows:

10.2.1 Leicester City Council Trading Standards Services investigation

On June 23, 2017, the Leicester City Council trade services investigation Department opened an inquiry into Europcar UK for a breach of Article 9 of the 2008 of the Consumer Protection Act on Unfair Trading, based on allegations according to which: Europcar UK (i) had billed its customers, without their consent, repair costs for damage caused to vehicles in cases where the damage was contested, and (ii) had billed excessive amounts, over and above the actual cost of the repairs. Europcar UK is cooperating with the authorities in charge of the inquiry. Europcar UK, along with the trade services investigation Department, established the list of documents that must be submitted by the Company and appointed Deloitte to fulfill this task. The results of the investigations conducted by Deloitte were presented to the trade services investigation Department in November 2018.

The Leicester trade services Department investigations are in progress and the Group continues to fully cooperate with the authorities.

In its financial statements as of December 31, 2017, the Group recorded a provision of £38 million (43 million euros) in non-recurring expenses. (see Note10 "Risks and litigation" on liquidity risk to the 2017 financial statements in Section 3.4 "Consolidated financial statements and Statutory Auditors' report for the year ended December 31, 2018" of this Universal Registration Document).

This amount corresponded to the Group's best estimate, at this very early stage of the investigation, based on a number of assumptions, including an assumption that the charging practices will be found to be misleading under Article 9 of the 2008 Consumer Protection Act on Unfair Trading and potentially inappropriate behavior when charging repairs costs to consumers.

A new review at the end of 2019 of the last risk estimate which was carried out on December 31, 2018 was carried out. On the basis of the analysis at that date, the Group decided to keep the provision of £38 million (44,7 million euros) booked the previous year.

10.2.2 Goldcar Rentals Italy S.r.L. and Goldcar Spain S.L.U. - Italian Competition Authority (AGCM)

In November 2016, the ICA (the Italy Competition Authority) imposed a fine on Goldcar Italy S.r.L for "unfair commercial practices" (specifically relating to allegations of high pressure sales techniques, transparency policies relating to fuel and damage repairs) following legal proceedings begun in February 2016. The fine of 2 million euros was paid. An appeal was filed in the Administrative Court of Lazio (TAR) in February 2017. The Hearing is scheduled on February 27, 2019.

In October 2017, the ICA initiated several investigations and proceedings to verify the compliance of the practices in effect at that time with regard to security deposit procedures. Goldcar Italy contacted the authorities to describe the improvements put in place to comply with regulations. Goldcar made several commitments which have already been implemented. Notice of a 680,000 euros fine was sent in February 2018 and it was paid. A hearing is scheduled for February 27, 2019 and a decision is expected in the first half of 2019. The Administrative Court of Lazio (TAR) confirmed the decision of the ICA. An appeal was filed in June 2019.

On May 30, 2019, the ICA launched an on-site monitoring operation as part of an investigation into various consumer complaints denouncing illegal practices. The hearing took place in September 2019 and on November 4, 2019, the ACI entered the process of conviction and imposed a fine of 3,400,000 euros for failure to comply with its previous decision. Goldcar appealed this decision on December 27, 2019.

10.2.3 Litigation with a former franchisee and its sub-franchisees in Brazil

Two of the Group's sub-franchisees in Brazil, Rentax and Locação e Comércio de Ve'culos Ltda. ("Rentax") and Horizon Distribuidora Ve'culos Ltda. ("Horizon"), initiated legal proceedings against Europcar International and its former franchisee in Brazil, Cia Ec Br de Franquias e Locação de Ve'culos Ltda. ("EC-BR"), claiming unfair termination of the franchisee agreement between Europcar International S.A.S.U. and EC-BR. The combined amount claimed by Rentax and Horizon is BRL 19,525,151 (approximately 6 million euros). Europcar International S.A.S.U. is seeking to have the case dismissed on statute of limitations grounds and, in particular, arguing that (i) there is no contractual relationship with these two sub-franchisees, and (ii) there was nothing improper by Europcar International S.A.S.U. in the termination of the EC-BR contract.

In the court of first instance, the 25th Chamber of the Civil Court of São Paulo found in 2010 that the suit filed by Rentax and Horizon was not time-barred and that if Europcar International S.A.S.U. were found liable it would have no recourse against EC-BR. A recourse action is an action through which a person against whom proceedings are initiated involves a third party to respond to the allegations that may be made against him or her. On appeal, this ruling was partly overturned by the Court of Appeal, which found that Europcar International S.A.S.U. could seek recourse against EC-BR, claiming back from EC-BR any payment Europcar International S.A.S.U. would make in compliance with a court ruling against it. Europcar International S.A.S.U., considering that the Appeal Court had failed to consider all its arguments about the statute of limitations, appealed to the São Paulo Court of Justice on September 8, 2014. In a ruling handed down on March 17, 2015, the São Paulo court upheld the ruling that the plaintiffs' suit was not time-barred. Its decision on the statute of limitations was appealed to the Superior Court of Justice. On September 29, 2017 the judge-rapporteur rejected the appeal. Europcar International S.A.S.U. filed an interlocutory appeal against this ruling, which will be judged by the Superior Court of Justice on February 6, 2018. This appeal nonetheless does not suspend the main proceedings during which the judge in the court of first instance ordered EC-BR to continue to answer the case. After several unanswered notices served on EC-BR, the judge ordered the gathering of evidence phase to continue. This phase allows the Parties to gather the evidence the wish to introduce, including expert reports, witnesses etc. In answer to the ruling by the Court according to which it was not necessary to introduce further evidence as to whether the contract was legally terminated insofar as the Court of Appeal had already ruled on the question in the first judgment mentioned above, Europcar filed a request for the case to either be judged immediately or at least be postponed pending the result of the first case. The judge presiding over the case rejected this request and ordered the expert analyses to begin as requested by the plaintiffs. At the date of this Universal Registration Document, we do not know when the expert analyses will be communicated. Depending on the results of the analyses, the judge will hand down his final ruling, subject to a request for counter-expert testimony from the other parties.

10.2.4 Confirmation of the a past condemnation for agreement on price against Goldcar

The companies in 2013 were fined with different amounts depending on the Inspections carried out by the CNMC (Spanish antitrust Authority) for Alleged unfair practices: Agreed collusive scheme regarding prices between each competitor started its own appeal proceedings.

Companies involved in the Original File S/0380-2011 are: Sol Mar Rent a Car SL, Centauro Rent a Car SL, Drivalia Car Rental SL, Helle Auto SA, New Cars Costa del Sol SL, Niza Cars SL, Record-Go, Auriga-Crown, Dickmanns Rent a Car SL, Guerin Rent a Car SL, Prima Rent a Car SL, Cargest SL, Avis, the sector Association AECA, Sixt and Goldcar.

Goldcar was fined with 15,4 million euros and challenged the resolution on July 30, 2013 in the Audiencia Nacional (AN Court).

On March16, 2016 the AN Court ruled a Judgement partially upholding the Goldcar's appeal. In this regard, the AN Court instructed the CNMC to recalculate the fine amount based on the Goldcar procedural allegations but also confirmed the existence of the alleged practice. Goldcar challenged this Judgement before the Supreme Court.

The Supreme Court Judgement n° 926/2018 received June 2018 dismisses the appeal issued by Goldcar. In this regard, confirms the alleged infringements and instructs the Authority to recalculate the fine amount. This amount could be similar or lower, but never higher than the previous one (reformatio in peius principle).

Alcor, the former shareholder of Goldcar gave a banking guarantee to cover the whole potential final sanction, which ended the dispute in 2019.

10.2.5 Fire in parking in Paris criminal and insurance procedure

On 12 November 2014, a fire broke out in a Europcar's garage located 88 rue de la roquette – PARIS. The fire destroyed all the 77 vehicles parked in the garage (1.1 million euros net damages cost already accounted) and damaged the structural integrity of the building. Public Prosecutor opened a criminal investigation (the criminal proceedings). At the same time, Europcar France and its insurer, AIG EUROPE Limited, sued the garage's owner, its insurer, the association of the building's co-owners and the French Association of Diabetics before the President of the PARIS Court to request the appointment of an expert to determine the cause of the fire and assess the prejudice suffered by each party (the civil proceedings). The criminal proceedings was dismissed by the investigating magistrate on 24 November 2016. The decision to dismiss proceedings was motivated by the fact that criminal investigations did not determine the cause of the fire and that the expertise ordered by the investigating judge showed that the fire was most probably caused by an electrical malfunction in a vehicle. The expertise ordered in the civil proceedings is still ongoing. Europcar France has initiated professional liability proceedings against the experts named in that procedure.

ALLIANZ Iard initiated an action against Europcar France and AIG before the Commercial Court of Nanterre on the basis of the law of February 5, 1985 in order to obtain a judgment joined to the payment of the sum of 3,902,743,37 Euros. Europcar and AIG asked the Court to stay pending the decision of the Court of Cassation in the dispute over the responsibility of the experts.

10.2.6 Excessive interchange commission applied by MasterCard and Visa

Following the opening of an investigation by the European commission into interchange commissions (commission that is received by banking organizations for a commercial transaction and justified by the mechanisms implemented by the banking institutions of the cardholder and trader for which the transaction is conducted), the European Union determined that the interchange commissions applied by MasterCard and Visa were too high, and established limits. Following this decision, a number of companies sued MasterCard in the English courts and in the (Competition Appeal Tribunal) and obtained damages for losses related to this practice going back to 1992. An additional claim was then filled by Sainsburys (an English Retailer) against Visa, this time in the High Court. The decisions in those cases were then referred to the Court of Appeal.

On September 16, 2016, Europcar Group UK filed a claim against Visa in the High Court seeking damages for losses incurred due to anti-competitive practices totaling £3 million for the period 2010 to 2015. Visa has renewed its offer to settle the dispute with Europcar Group UK for £100,000. Europcar Group UK rejected this offer in February 2018.

On September 16, 2016, based on the judgment given against MasterCard, Europcar Group UK Limited took legal action against MasterCard in both the High Court (for the period 2010-2015) and in the Competition Appeal Tribunal ("CAT") (for the period 1992-2008) with a view to obtaining redress for the losses suffered as a result of anti-competitive practices during those periods estimated at £7,000,000 (interest included).

All 3 cases were stayed pending the decision of the Court of Appeal on the Mastercard and Visa cases. The only exception to this was a case brought by Mastercard in the CAT to have the claims for the period 1992 to 1997 excluded from the assessment of damages on the basis that these were time barred. The decision of the CAT on this point is expected soon.

In July 2018, the Court of Appeal decided to allow the merchant's appeals on the each of the 3 cases referred to it and declared that both the Visa and Mastercard MIFs were restrictive of competition and therefore unlawful. The Court of Appeal remitted all 3 cases to the CAT to consider whether any exemptions were applicable and to assess quantum. Mastercard sought leave to appeal the decision to the Supreme Court which was granted at the end of 2018.

Europcar Group UK and Mastercard have entered end of 2019 in a settlement agreement which ends the above action from Europcar group UK against Mastercard.

10.2.7 Dispute regarding the commissions associated with the brokerage of the sale of the Robben & Wientjes assets

The German company Carpartner Nord GmbH was named as a defendant in a case brought before the District Court of Berlin by M.B. Mueller as the owner of the German company M & W Real Estate. The subject of the lawsuit is the alleged request made by the plaintiff for a commission for the transaction brokerage commission of 4% of the acquisition price of 3 million euros for assets on August 8, 2017 paid by the defendants to Robben & Wientjes oHG. Furthermore, the plaintiff wishes to obtain a brokerage commission of 150,000 euros for arranging the leasing of several commercial buildings. Charterline Fuhrpark Service GmbH, which purchased the vehicles of Robben & Wientjes oHG for 6.5 million euros as part of the asset sale has not yet been sued. It is, however, possible that the plaintiff will also sue Charterline Fuhrpark Service GmbH when the details of the asset sale become known. The plaintiff was originally only hired by the seller, Robben & Wientjes oHG. Carpartner Nord GmbH's defense against this lawsuit is that it did not enter into a brokerage agreement with the defendant. The defendant alleges that a brokerage agreement of 530,000 euros was signed (4% of 9.5 million euros plus 150,000 euros). The Berlin Court on February 6, 2019 stated that a brokerage agreement has not been concluded and therefore the plaintiff have no claim to commissions out of the purchase of the Company. The court declared that it has no local jurisdiction and will refer the dispute to the competent court which is the Regensburg Regional court.

10.2.8 Litigation against GEFION relating to Charterline vehicle insurance coverage

Charterline entered in 2018 into a fleet insurance contract with GEFION for motor vehicle fleet insurance (motor third party liability insurance and hull insurance) for up to 16,000 vehicles. GEFION discontinued its claims payments in hull insurance and in February 2019 terminated the contract. As of today more than 3 000 claims still outstanding (including those before the court). Charterline has filed 500 individual claims at Bad Kreuznach District Court end of June 2019 for a sum of 340,000 euros.

GEFION filed an counterclaim asking for rescission of the insurance contract and therefore requesting the reimbursement of all indemnities already paid to Charterline. A next hearing have to be scheduled in the first semester of 2020.

10.2.9 Bavarian DPA notification

Buchbinder have been notified on January 20, 2020 by the Bavarian Data Privacy Authority about a security breach on one of its backup server hosted and managed by its supplier. The weakness has immediately been closed and customers informed of this weakness by a press release on January 24, 2020.

Buchbinder is fully cooperative with the DPA and are evaluating the full impact.

10.2.10 Excessive credit card fees in Australia

Europcar Australia has been notified that the Australian Competition and Consumer commission (ACCC), following an investigation conducted from October 2017 to May 2018, has decided to initiate civil proceedings against Europcar Australia for violating Article 55B of the Competition and Consumer Act 2010 regarding the excessive fees applied to debit and credit cards when leasing to its customers between July 19, 2017 and November 5, 2017 (and broken down into two periods: from July 19, 2017 to August 31, 2017 and from September 1, 2017 to November 5, 2017).

An official summons was issued on July 16, 2018. A hearing is scheduled for September 2, 2019, following a mediation process that will take place no later than April 30, 2019.

In November 2018, the Company filed a statement explaining that (i) for the first period between July 19 and August 31, 2017, the Company after having received data on the cost of acceptance from its bankers in mid/end July 2017, undertook to calculate an acceptance cost for all card systems so that any change could be applied effective September 1, 2017, and (ii) for debit card customers who were charged excessive fees applicable to credit cards during the period from September 1, 2017 to November 5, 2017, a refund was processed as soon as the banks provided their banking identification numbers making it possible to distinguish between debit and credit cards.

Australia is subject to specific legislation which enables businesses to charge additional fees to credit card customers if these additional fees are not excessive. In Europe, the Group does not apply any additional fees (EC/BB/GC).

Note 11 Related parties

Under IAS 24, related parties include parties with the ability to control or exercise significant influence over the reporting entity. All business transactions with non-consolidated subsidiaries are conducted at arm's length. Several members of the Group's management and Supervisory Board are members of the management bodies of companies with which Europcar Mobility Group S.A. has relations in the normal course of its business activities. All transactions with these parties are conducted at arm's length.

11.1 Transactions with companies over which Europcar Mobility Group exercises significant influence

As of December 31, 2019, the Group did not realized any significant transaction with companies over which Europcar Mobility Group exercises significant influence.

11.2 Compensation of key executives

In 2015, at the time of the Company's IPO, a new governance structure was implemented. Henceforth the Management Board has the authority and responsibility to plan, direct and control the activities of the Group. For this reason, the compensation of its members is detailed below.

In addition to their salaries, the Group provides non-cash benefits to executive officers and contributes to a post-employment defined benefit plan on their behalf. There were no significant transactions with any companies related directly or indirectly to key management members disclosed in the management report of the Europcar subsidiaries.

The senior executives of the Group were compensated as follows during the year. Employee salaries and short-term benefits include salaries, wages and payroll taxes.

(in thousands of euros)	**At December 31, 2019**	At December 31, 2018
Employee salaries and short-term benefits	1,857	2,772
Post-employment benefits	84	57
Termination indemnities	-	-
TOTAL	**1,941**	**2,829**

Note 12 Group entities

Company name	Local HQ (city)	Country	Consolidation method [(1)] (FC/EM)	% interest	% control
PARENT COMPANY					
Europcar Mobility Group S.A.		Paris	France	FC	
1. Information on consolidated companies					
Europcar International S.A.S.U.		France	FC	100.0%	100.0%
Europcar Lab S.A.S	Paris	France	FC	100.0%	100.0%
EC4 S.A.S.U.	Paris	France	FC	100.0%	100.0%
Europcar Holding S.A.S.	Paris	France	FC	100.0%	100.0%
Europcar Lab S.A.S.U.	Paris	France	FC	100.0%	100.0%
Europcar Lab UK Ltd	Leicester	United Kingdom	FC	100.0%	100.0%
E-Car Club Holding Ltd	Leicester	United Kingdom	FC	100.0%	100.0%
E-Car Club Ltd	London	United Kingdom	FC	100.0%	100.0%
EC Participations.	Paris	France	FC	100.0%	100%
Ubeeqo International S.A.S.	Boulogne-Billancourt	France	FC	100.0%	100.0%
Ubeeqo France S.A.S.	Boulogne-Billancourt	France	FC	100.0%	100.0%
Ubeeqo Luxembourg Sarl	Luxembourg	Luxembourg	FC	100.0%	100.0%
Ubeeqo SPRL	Brussels	Belgium	FC	100.0%	100.0%
Ubeeqo GmbH	Düsseldorf	Germany	FC	100.0%	100.0%
Ubeeqo Limited	London	United Kingdom	FC	100.0%	100.0%
Bluemove	Madrid	Spain	FC	100.0%	100.0%
Guidami	Milan	Italy	FC	100.0%	100.0%
Dos Palos Spain S.L.	Madrid	Spain	FC	100.0%	100.0%
Blue Sostenible S.L.	Madrid	Spain	FC	100.0%	100.0%
Securitifleet Holding S.A.	Paris	France	FC	99.3%	8.26%
Securitifleet Holding Bis S.A.S.U.	Paris	France	FC	99.3%	0.0%
EC Finance Plc	London	United Kingdom	FC	0.0%	0.0%
FCT Sinople	Paris	France	FC	0.0%	0.0%
Europcar France S.A.S.	Voisins-le- Bretonneux	France	FC	100.0%	100.0%
Securitifleet S.A.S.U.	Paris	France	FC	100.0%	8.26%
Securitifleet France Location S.A.S.U.	Rouen	France	FC	99.3%	8.26%
Parcoto Services S.A.S	Rouen	France	FC	100.0%	100.0%
Lor'Rent S.A.S	Luneville	France	FC	100.0%	100.0%
Monaco Auto Location SAM	Monaco	Monaco	FC	100.0%	100.0%
Europcar International S.A.S.U. und Co OHG	Hamburg	Germany	FC	100.0%	100.0%
Europcar Autovermietung GmbH	Hamburg	Germany	FC	100.0%	100.0%
Securitifleet GmbH	Hamburg	Germany	FC	100.0%	5.41%
Buchbinder Holding GmbH*	Regensburg	Germany	FC	100.0%	100.0%
Charteline Fuhrpark Service GmbH*	Regensburg	Germany	FC	100.0%	100.0%
Carpartner Nord GmbH*	Regensburg	Germany	FC	100.0%	100.0%
Car & Fly GmbH*	Duisburg	Germany	FC	100.0%	100.0%
Terstappen Autovermietung GmbH*	Duisburg	Germany	FC	100.0%	100.0%
Bayernmobile GmbH*	Regensburg	Germany	FC	100.0%	100.0%

Company name	Local HQ (city)	Country	Consolidation method [1] (FC/EM)	% interest	% control
A. Klees Slovakia S.R.O*	Bratislava	Slovakia	FC	100.0%	100.0%
ABC Autonoleggio s.r.l.*	Bolzano	Italy	FC	100.0%	100.0%
CarPartner Leasing GmbH*	Wels	Austria	FC	100.0%	100.0%
Megadrive Autovermietung GmbH*	Wien	Austria	FC	100.0%	100.0%
Ratisbona Consulting 2 GmbH*	Regensburg	Germany	FC	100.0%	100.0%
Europcar S.A.	Zaventem	Belgium	FC	100.0%	100.0%
InterRent S.à.r.l	Luxembourg	Luxembourg	FC	100.0%	100.0%
Europcar IB S.A.	Madrid	Spain	FC	100.0%	100.0%
Securitifleet S.L.	Madrid	Spain	FC	100.0%	0.41%
Ultramar Cars S.L.	Palma de Mallorca	Spain	FC	100.0%	100.0%
LC EC Participations Investments S.L.U.**	Madrid	Spain	FC	100.0%	100.0%
Car Rentals TopCo S.L.**	El Prat de Llobregat	Spain	FC	100.0%	100.0%
Car Rentals ParentCo S.A.**	El Prat de Llobregat	Spain	FC	100.0%	100.0%
Car Rentals Subsidiary S.A.U.**	Alicante	Spain	FC	100.0%	100.0%
Goldcar Spain S.L.U.**	Alicante	Spain	FC	100.0%	100.0%
Goldcar FleetCo Spain S.A.**	Alicante	Spain	FC	100.0%	100.0%
Goldcar FleetCo Italy S.r.l.**	Laives	Italy	FC	100.0%	100.0%
Goldcar FleetCo France S.A.R.L**	Vitrolles	France	FC	100.0%	100.0%
Goldcar FleetCo Portugal**	Faro	Portugal	FC	100.0%	100.0%
Goldcar FleetCo Hellas A.E**	Koropi	Greece	FC	100.0%	100.0%
Car Rentals Italy S.r.l.**	Laives	Italy	FC	100.0%	100.0%
Goldcar Italy S.r.l.**	Laives	Italy	FC	100.0%	100.0%
Goldcar France S.A.R.L**	Vitrolles	France	FC	100.0%	100.0%
Goldcar Hellas A.E.**	Koropi	Greece	FC	100.0%	100.0%
Goldcar Rental D.O.O.**	Zagreb	Croatia	FC	100.0%	100.0%
Goldcar Oto Kiralama A.S.**	Istanbul	Turkey	FC	100.0%	100.0%
Goldcar Ireland Ltd**	Dublin	Ireland	FC	100.0%	100.0%
Goldcar Master S.L.U.**	Alicante	Spain	FC	100.0%	100.0%
Goldcar Fleets Spain S.L.U.**	Alicante	Spain	FC	100.0%	100.0%
Europcar Lab Italy S.p.A.	Milan	Italy	FC	100.0%	100.0%
Europcar Italia S.p.A.	Bolzano	Italy	FC	100.0%	100.0%
Securitifleet S.p.A.	Bolzano	Italy	FC	99.32%	13.76%
Wanderio	Rome	Italy	FC	91.83%	91.83%
Europcar Internacional Aluguer de Automoveis S.A.	Lisbon	Portugal	FC	100.0%	100.0%
Europcar Services Unipessoal, LDA.	Lisbon	Portugal	FC	100.0%	100.0%
Europcar United Kingdom Limited	Watford	United Kingdom	FC	100.0%	100.0%
PremierFirst Vehicle Rental EMEA Holdings Ltd	Leicester	United Kingdom	FC	100.0%	100.0%
PremierFirst Vehicle Rental Holdings Ltd	Leicester	United Kingdom	FC	100.0%	100.0%
Provincial Assessors Ltd	Leicester	United Kingdom	FC	100.0%	100.0%
PremierFirst Vehicle Rental Pension Scheme Trustees Ltd	Leicester	United Kingdom	FC	100.0%	100.0%
Europcar Group UK Ltd	Leicester	United Kingdom	FC	100.0%	100.0%
PremierFirst Vehicle Rental Franchising Ltd	Leicester	United Kingdom	FC	100.0%	100.0%

Company name	Local HQ (city)	Country	Consolidation method [1] (FC/EM)	% interest	% control
Brunel Group Holdings Ltd	Leicester	United Kingdom	FC	100.0%	100.0%
A & A Prestige Chauffeurs Ltd	Leicester	United Kingdom	FC	100.0%	100.0%
Brunel Carriage Ltd	Leicester	United Kingdom	FC	100.0%	100.0%
Brucar Ltd	Leicester	United Kingdom	FC	100.0%	100.0%
Brunel Corporate Facilities Ltd	Leicester	United Kingdom	FC	100.0%	100.0%
Euroguard	Gibraltar	Gibraltar	FC	100.0%	100.0%
Europcar Holding Property Ltd	Melbourne	Australia	FC	100.0%	100.0%
Europcar Australia Pty Ltd	Victoria	Australia	FC	100.0%	100.0%
G1 Holdings Pty Ltd	Victoria	Australia	FC	100.0%	100.0%
CLA Holdings Pty Ltd	Victoria	Australia	FC	100.0%	100.0%
CLA Trading Pty Ltd	Victoria	Australia	FC	100.0%	100.0%
Eurofleet Pty Ltd	Victoria	Australia	FC	100.0%	100.0%
Delta Cars & Trucks Rentals Pty Ltd	Victoria	Australia	FC	100.0%	100.0%
Eurofleet Sales Pty Ltd	Victoria	Australia	FC	100.0%	100.0%
E Rent a car Pty Ltd	Victoria	Australia	FC	100.0%	100.0%
MVS Holdings (Australia) Pty Ltd	Victoria	Australia	FC	100.0%	100.0%
MVS Trading Pty Ltd	Victoria	Australia	FC	100.0%	100.0%
JSV Trading Pty Ltd	Victoria	Australia	FC	100.0%	100.0%
SMJV Ltd	Christchurch	New Zealand	FC	100.0%	100.0%
BVJV Ltd	Christchurch	New Zealand	FC	100.0%	100.0%
Europcar Inc.	Wilmington, New Castle, Delaware	USA	FC	100.0%	100.0%
Executive Trust Limited	Dublin	Ireland	FC	100%	100%
Irish Car Rentals Limited	Dublin	Ireland	FC	100%	100%
GoCar Carsharing Limited	Dublin	Ireland	FC	100%	100%
Østergaard Biler A/S	Aarhus	Denmark	FC	100%	100%
Nordcar Finance A/S	Silkeborg	Denmark	FC	100%	100%
Interrent Oy	Oulu	Finland	FC	100%	100%
NorthFund Oy	Oulu	Finland	FC	100%	100%
Pohjan Autovuokraamo Oy	Oulu	Finland	FC	100%	100%
Interrent AS	Hovik	Norway	FC	100%	100%
Europcar Mobility Group USA LLC	Tulsa	USA	FC	100%	100%
Fox Rent A Car Inc.	Tulsa	USA	FC	100%	100%
Fox Reservation System Inc.	Tulsa	USA	FC	100%	100%
2. Information on non-consolidated companies					
Vehitel 2000 France S.A.S.	Suresnes	France	NC	20.0%	20.0%
Vehitel 2000 S.N.C.	Suresnes	France	NC	33.33%	33.33%
PremierFirst Marketing Enterprises Middle East Ltd	Dubai	United Arab Emirates	NC	25.0%	25.0%
EIR Autonoleggio SRL	Rome	Italy	NC	100.0%	100.0%
EC 3 S.A.S.U.	Voisins-le-Bretonneux	France	NC	100.0%	100.0%

(1) FC: full integration; EM: equity method; NC: not consolidated.
* Legal entities of Buchbinder Group.
** Legal entities of Goldcar Group.

Consolidated special purpose entities (SPEs)

As part of the securitization program for part of the fleet financing for Germany, France, Italy and Spain, SPEs have been incorporated under the name Securitifleet and Goldfleet in each of those countries and are either 100% owned or controlled (over 90%-controlled) by one of the following SPEs: "Securitifleet Holding S.A." or "Securitifleet Holding Bis S.A.S.", both registered in France. The Group consolidates all Securitifleet and Goldfleet entities, the five local Securitifleet companies, the four local Goldfleet companies (In France, Italy and Spain), as well as the two Securitifleet holding companies, which were created with specific purposes defined by Europcar Mobility Group.

The Group's operating subsidiaries located in France, Spain, the United Kingdom, Portugal, Belgium, Italy (from January 1, 2008) and Germany (from April 1, 2008) buy local automobile liability insurance policies with Chartis (formerly AIG) entities, which reinsure part of such risks with a reinsurance structure hosted by Euroguard, a protected cell reinsurance company. The Group owns a reinsurance cell (9) within Euroguard, which has been consolidated since January 2006. However, the local Europcar entities fund a significant portion of the risks through a Deductible Funding mechanism which is managed via another cell (0) within Euroguard that acts as a fund manager. The funds hosted in this cell are also consolidated.

PremierFirst Vehicle Rental Holdings Limited owns 100% of PremierFirst Vehicle Rental Insurances Guernsey Limited, a captive company based in Guernsey in the Channel Islands. This captive company has two types of business: roadside assistance (RAC) and Personal Accident Insurance (PAI). The profits from the RAC and PAI businesses can mostly be distributed by the captive company under strict rules. 90% of the profits must be distributed within 18 months of the year end. Since January 2008, PremierFirst Vehicle Rental Limited has participated in the Group insurance scheme described in the first paragraph above.

Note 13 Group auditors' fees

The EU legislation to reform the statutory audit market adopted by the EU Directive 2014/56/UE and transposed to the French law under an ordinance dated March 17, 2016, is applicable since June 17, 2016. This new legislation introduced the category of "Non-Audit services" instead of "other diligences and services directly related to the Statutory Auditors' role".

2019 *(in thousands of euros)*	Pricewaterhouse Coopers Audit	PwC Network	**PwC**	Mazars SA	Mazars Network	**Mazars**	**Total**
Audit of statutory and consolidated accounts	**566**	**948**	**1,514**	**316**	**610**	**926**	**2,440**
of which Europcar Mobility Group	*334*	*-*	*334*	*250*	*-*	*250*	*584*
of which fully consolidated subsidiaries	*232*	*948*	*1,180*	*66*	*610*	*676*	*1,856*
Non-audit services (1)	**70**	**223**	**293**	**70**	**24**	**94**	**387**
of which Europcar Mobility Group	*70*	*-*	*70*	*70*	*24*	*94*	*164*
of which fully consolidated subsidiaries	*-*	*223*	*223*	*-*	*-*	*-*	*223*
TOTAL	**636**	**1,171**	**1,807**	**386**	**634**	**1,020**	**2,827**
of which Europcar Mobility Group	*404*	*-*	*404*	*320*	*24*	*344*	*748*
of which fully consolidated subsidiaries	*232*	*1,171*	*1,403*	*66*	*610*	*676*	*2,079*

(1) Non-audit services mainly related to the Group's financing operations and the redesign of the digital service for the network.

2018 *(in thousands of euros)*	PricewaterhouseCoopers Audit	PwC Network	PwC	Mazars SA	Mazars Network	Mazars	Total
Audit of statutory and consolidated accounts	**539**	**860**	**1,399**	**332**	**602**	**934**	**2,333**
of which Europcar Mobility Group	*342*	*-*	*342*	*266*	*-*	*271*	*613*
of which fully consolidated subsidiaries	*197*	*860*	*1,057*	*67*	*602*	*669*	*1,726*
Non-audit services [(1)]	**192**	**419**	**611**	**144**	**22**	**166**	**777**
of which Europcar Mobility Group	*192*	*-*	*192*	*144*	*22*	*166*	*358*
of which fully consolidated subsidiaries	*-*	*419*	*419*	*-*	*-*	*-*	*419*
TOTAL	**731**	**1,279**	**2,010**	**476**	**624**	**1,100**	**3,110**
of which Europcar Mobility Group	*534*	*-*	*534*	*410*	*22*	*432*	*966*
of which fully consolidated subsidiaries	*197*	*1,279*	*1,476*	*67*	*602*	*669*	*2,145*

(1) Non-audit services mainly related to the Group's financing operations.

Note 14 Subsequent events

Buchbinder have been notified on January 20, 2020 by the Bavarian Data Privacy Authority about a security breach on one of its backup server hosted and managed by its supplier (see Note 10.2.8).

Statutory Auditors' report on the consolidated financial statements

(for the year ended December 31, 2019)

This is a translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the information concerning the Group presented in the management report.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,
Europcar Mobility Group
13 *ter* Boulevard Berthier
75017 Paris

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Europcar Mobility Group for the year ended December 31, 2019.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2019 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in "the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1st, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5 (1) of regulation (EU) No 537/2014 or in the French Code of Ethics (Code de déontologie) for Statutory Auditors.

Observation

Without qualifying our conclusion, we draw your attention to Note 1.3.2 "Basis of measurement" to the consolidated financial statements, which describes the impacts related to the first-time adoption of IFRS 16 – Leases and IFRIC 23 – Accounting for Uncertainty over Income Tax Treatments.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Goodwill and trademarks

Identified risk	Audit approach
Goodwill and trademarks (indefinite- useful life) are recorded in the consolidated balance sheet for a net carrying amount of respectively €1 170 million and €850 million as of December 31, 2019, i.e. 24% of total assets. Annual impairment test and/or specific test in the event of an indication of a loss in value are performed on Goodwill and trademarks. Their recoverable amount is determined based on the discounted future cash flow method performed for each Cash-Generating Units (CGU) defined by the management or another more appropriate method for the goodwill (Note 5.1) and on the relief-from-royalty method for the trademarks (Note 5.2). An impairment loss is recognized in the balance sheet when their net carrying amount exceeds their recoverable amount. As described in Note 5.1 of the consolidated financial statements, the Group defined in 2018 new operating segments in accordance with IFRS 8 following the implementation of its new organization, with no impact on the definition of CGUs. Considering that goodwill and trademarks are significant, the high degree of estimation and judgment to allocate assets to CGUs and build models used, their sensitivity to changes in the data and assumptions underlying the estimates, particularly cash flow forecasts and discount rates used, we considered the recoverable amounts of the goodwill and trademarks to be a key audit matter.	Our procedures mainly consisted of: • understanding the process to prepare the three-year business plans used by the management to determine the recoverable amounts of each CGU; • considering the main assumptions made by the management with business performance over the past years and assessing variances between previous years forecast and actual figures; • assessing the principles and methods to determine recoverable amounts of CGUs and trademarks; • challenging and corroborating, notably through interviews with management, the reasonableness of the main data and assumptions underlying the estimates such as future cash flow forecasts, long term growth rate, royalty rates and discount rates; • assessing the allocation of the Goldcar goodwill between the main Goldcar entities and the combination of Europcar Germany and Buchbinder goodwill; • testing the arithmetical accuracy of the valuations used by the management on a sample basis; • performing our own sensitivity analysis. We assessed, with the support of our valuation experts: • the discount rates (WACC) used to determine the discounted cash flows; • the royalty rates; • the long term growth rate used to determine the terminal value. We also assessed the appropriateness of the disclosures in Notes 5.1 and 5.2 to the consolidated financial statements.

Investigations of the Leicester City Council Trading Standards Services in the United-Kingdom

Identified risk	Audit approach
As described in Note 10.2 of the consolidated financial statements, in the United Kingdom the Group is engaged in proceedings with Leicester City Council Trading Standards Services, in relation to allegations that Europcar UK levied charges for vehicle repairs without the consent of the holder; and/or charges in excess of the cost of the repairs in breach of regulation 9 of the Consumer Protection from Unfair Trading regulations 2008. A provision of €43 million was booked as of December 31, 2017 and has been maintained as of December 31, 2019 for a discounted amount of €44.7m, considering exchange rate effect. We considered this topic to be a key audit matter, as the eventual outcome of proceedings is uncertain and the position taken by the management is based on the application of material judgement and estimation. Accordingly, unexpected adverse outcome could significantly impact the Group consolidated financial statements.	Our procedures consisted of: • discussing the status of these proceedings with Europcar management, the in-house legal counsel of the Group; • obtaining and testing evidence to support the decisions and rationale for provision held, including written confirmations from external legal counsel; • examining management's assumptions to ensure their consistency with the documentation obtained from the external legal counsel. We also verified the appropriateness of the related disclosures in the Note 10.2 to the consolidated financial statements.

First application of IFRS 16 – Leases, new accounting standard

Identified risk	Audit approach
As described in the Note 1.3.2 of the consolidated financial statements, the Group has adopted the new IFRS 16 standard related to leases contracts from January 1st, 2019, in accordance with the simplified retrospective approach. Therefore, for the first year application, the comparative information has not been restated. This new standard provides a single lessee accounting model, with the recognition of a "right-of-use" asset and a leases liability, which represents the leases discounted cash flows remaining over the duration of the contract. The practical expedient related to short term leases (below 12 months) has not been applied for fleet contracts. For the Group, the first application of the standard resulted in recording, on January 1st, 2019, a €496m net amount right-of-use, of which €129m related to fleet, and a €498 leases liability. Considering the significant volume of data to be collected and analyzed, the significant balances of the right-of-use and leases liability in the financial statements, and the high degree of judgment required by the determination of the lease duration and the incremental borrowing rate, we considered the first application of the leases new standard to be a key audit matter.	Our procedures mainly consisted of: • understanding the organisation, the information systems and the key controls implemented by the management for the application of the standard and also the instructions and procedures provided to the subsidiaries; • assessing the methodology adopted by the Group to determine the main assumptions, notably the ones related to the fleet, to the probable duration of non-fleet leases or to the discount rates; • testing the IT general controls over these information systems, including taking into consideration the independent auditor's conclusions over the editor control environment; • testing the relevant parameters, including the calculation of the centralised system used for computing the IFRS 16 standard impacts; • performing tests of detail on the quality of the data input in the related IT systems; • reperforming on a sample the calculation the amounts of right-of-use and leases liability according to group evaluation and accounting. We also assessed the appropriateness and the exactitude of the disclosures related to the first application of this standard in the notes 1.3.2 to the consolidated financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Group.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial information statement required by Article L. 225-102-1 of the French Commercial Code (Code de commerce) is presented in the Group's management report, being specified that, in accordance with Article L. 823-10 of this Code, the information given in this statement has not been verified by us with respect to the fair presentation and consistency with the consolidated financial statements and has to be subject to a report by an independent third party.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Europcar Mobility Group by statutes of incorporation dated as of March 9, 2006 for PricewaterhouseCoopers Audit and by the Annual General Meeting held on May 16, 2013 for Mazars SA.

As at December 31, 2019, PricewaterhouseCoopers Audit was in the 14th year of total uninterrupted engagement and Mazars SA was in the 7th year, which are 5 years since securities of the Company were admitted to trading on a regulated market, respectively.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its Internal Audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee, which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Courbevoie, February 25, 2020

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit Romain Dumont	Mazars Isabelle Massa

3.5 ANALYSIS OF EUROPCAR MOBILITY GROUP SA'S RESULTS

Readers are urged to read the information below regarding the Group's financial income and position together with the separate financial statements for the fiscal year ended December 31, 2019, as reported in Section 3.6 of this Universal Registration Document.

3.5.1 Revenue of the Company

Europcar Mobility Group SA's reported revenue in 2019 amounted to €11,683 thousand, compared with €6,388 thousand for the year ended December 31, 2018. The revenue breaks down as follows:

Revenue *(in thousands of euros)*	**12/31/2019**	12/31/2018
Management fees in respect of services to subsidiaries (ECI)	9,265	4,244
Franchisee fees on long-term trademark	2,417	2,144
TOTAL	**11,683**	**6,388**

3.5.2 Operating results of the Company

The Company reported an operating loss of €(11,629) thousand in 2019, compared with a loss of €(7,079) thousand for the previous fiscal year. The €(4.5) million change is mainly due to the combined effect of the increase in operating revenue for €0.7 million and the increase in Other purchases and external expenses for €5.2 million.

3.5.3 Net financing income

The Company's net financing income for 2019 amounted to €1,721 thousand, compared with €24,450 thousand as of December 31, 2018, a decline of €21,946 thousand. The deterioration of net financing income is primarily due to:

- the negative impact of the provision for impairment of treasury shares at December 31, 2019 for €24 million;
- the payment of penalties equal to €8.6 million, for the early redemption of the €600 million notes due in 2022;
- the increase in dividends received in 2019 from Europcar International, which totaled €100.1 million, compared with €90.2 million in 2018.

3.5.4 Other information presented in the Company's separate financial statements for 2019

The Company recorded a pre-tax loss at December 31, 2019 of €9,908 thousand, compared with a profit of €17,370 thousand in the previous fiscal year, i.e. a deterioration of €27,278 thousand.

The Company's non-recurring expenses at December 31, 2019 totaled €163 thousand, compared with a nil amount in the previous fiscal year.

Income tax income totaled €21,279 thousand for the year ended December 31, 2019, compared with €30,157 thousand at December 31, 2018.

Taking into account these items, the Company posted a net profit of €11,208 thousand for the fiscal year ended December 31, 2019, compared with a profit of €48,146 thousand for December 31, 2018. At December 31, 2019, the Company's statement of financial position totaled €2,357,770 thousand, compared with €2,143,293 thousand at December 31, 2018.

The Company had 13 salaried employees at December 31, 2019.

3.5.5 Proposed allocation of the result

In light of the COVID-19 pandemic, on March 23, 2020, the Company announced the decision taken by the Management Board and the Supervisory Board not to propose a dividend to the Shareholders for fiscal year 2019. Profit for the year will be allocated to "Retained earnings".

3.5.6 Dividends paid for the last three fiscal years

A special distribution deducted from share premiums was paid out on May 29, 2018 totaling €24,228 thousand.

A special distribution deducted from share premiums was paid out on May 31, 2018, totaling €24,228 thousand.

A cash distribution deducted from distributable earnings was paid out on May 23, 2019 totaling €24,228 thousand.

A special distribution deducted from retained earnings was paid out on May 23, 2019 totaling €15,184 thousand.

3.5.7 Table of results for the last five fiscal years (Article R. 225-102 of the French Commercial Code)

	Year ended 12/31/2015	Year ended 12/31/2016	Year ended 12/31/2017	Year ended 12/31/2018	**Year ended 12/31/2019**
Duration of the fiscal year	12 months	12 months	12 months	12 months	**12 months**
Share capital at the end of the fiscal year					
Share capital (at the end of the fiscal year)	143,154,017	143,409,299	161,030,883	161,030,883	164,884,279
Number of ordinary shares	143,154,017	143,409,299	161,030,883	161,030,883	164,884,279
Operations and results					
Revenue excluding taxes	4,542,518	3,682,317	6,358,765	6,388,261	11,682,568
Profit/(loss) before tax, investment, depreciation, Amort and provisions	(127,161,398)	(29,931,556)	(5,137,222)	31,243,366	21,945,796
Income taxes	16,310,028	16,077,921	20,569,456	30,775,992	21,279,255
Net profit/(loss) for the period	(119,632,847)	(15,648,351)	(29,264,226)	48,146,509	11,207,882
Net profit/(loss) distributed	0	0	0	0	24,294,530
Profit (Loss) per share					
Profit/(loss) after tax, investment and before depreciation, Amort and provisions	(0.77)	(0.10)	(0.16)	0.39	0.13
Net profit/(loss) for the period	(0.84)	(0.11)	(0.18)	0.30	0.07
Dividend distributed	0	0	0	0	12:16 AM
Salaried					
Average workforce	9	12	12	14	14
Payroll	10,114,172	5,628,280	3,652,338	5,314,142	3,952,394
Amounts paid in benefits (social security, other staff benefits, etc.)	3,180,188	2,217,940	976,988	2,867,807	2,980,207

3.6 SEPARATE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2019 AND STATUTORY AUDITORS' REPORT

Statement of financial position

ASSETS *(in thousands of euros)*	Notes	Year ended 12/31/2019 Gross carrying amount	Amort. Prov.	Net	Year ended 12/31/2018 Net
Trademarks		28,500	-	28,500	28,500
Intangible assets		**28,500**	**-**	**28,500**	**28,500**
Securities		1,426,205	-	1,426,205	1,426,205
Loans	12	235,141	-	235,141	144,544
Other financial assets	12	22	-	22	14
Financial assets		**1,661,368**	**-**	**1,661,368**	**1,570,763**
Non-current assets	**11**	**1,689 868**	**-**	**1,689 868**	**1,599 263**
Advance payments on orders		106	-	106	1,455
Trade and other receivables	12	22 427	-	22 427	27,939
Other receivables	12	537,528	-	537,528	464,506
Marketable securities	15	65,719	(29,345)	36,374	32,089
Cash-in-hand and at bank		54,587,631	-	54,587,631	807,279
Prepaid and deferred expenses	16	37,947	(22,566)	15,381	15,287
Deferred Note issuance costs	16	37,947	(22,566)	15,381	15,287
Bond redemption premiums		3,116	(3,116)	-	1,669
Current assets		**722,061**	**(55,026)**	**667,035**	**544,031**
Foreign exchange differences – assets		867	-	867	-
TOTAL ASSETS		**2,412 796**	**(55,026)**	**2,357 770**	**2,143 293**

LIABILITIES *(in thousands of euros)*	Notes	**Year ended 12/31/2019**	Year ended 12/31/2018
Share capital		163,884	161,031
Share, merger, contribution premiums		687,218	692,255
Legal reserve		16,388	-
Retained earnings (losses)		5,673	-
Net profit/(loss) for the period		11,208	48,147
Regulated provisions		23,793	23,793
Shareholders' equity	19	**908,164**	**925,226**
Provisions for risks	20	867	140
Provisions for expenses		-	-
Provisions		**867**	**140**
Other non-convertible notes	13	1,056 194	1,207 773
Borrowings from credit institutions	13	368,345	-
Financial liabilities		**1,424 539**	**1,207 773**
Trade and other payables	13	12,007	7,581
Tax and social security liabilities	13	3,047	2,555
Other debt	13	8,193	19
Deferred income		-	-
Operating expenses		**23 247**	**10,155**
Liabilities		**1,447 786**	**1,217 928**
Foreign exchange differences – liabilities		952	-
TOTAL LIABILITIES AND EQUITY		**2,357 770**	**2,143 293**

Income statement

(in thousands of euros)	Notes	Fiscal year ended 12/31/2019	Fiscal year ended 12/31/2018
Sales of services	3	11,682	6,388
Reversals of provisions, amortization and transfers of expenses		-	-
Other income	4	6,367	10,976
Total operating income		**18,050**	**17,364**
Other purchases and external expenses	5	(20,478)	(15,041)
Taxes, levies and similar payments		(1,450)	(469)
Wages and salaries		(3,952)	(5,314)
Social security contributions		(2,980)	(2,868)
Other expenses		(819)	(751)
Total operating expenses		**(29,679)**	**(24,443)**
OPERATING INCOME		**(11,629)**	**(7,079)**
From investments		100,100	90,200
From other marketable securities and long-term receivables		9,613	10,320
Other interest and similar income		-	1,202
Foreign exchange gains		-	-
Net revenue from marketable securities		136	322
Financial revenue	7	**109,850**	**102,044**
Interest and similar expense		(67,322)	(63,545)
Depreciation, amortization, impairment and provisions		(31,854)	(13,873)
Foreign exchange losses		-	-
Net expense on disposal of marketable securities		(8,953)	(177)
Financial expenses	7	**(108,128)**	**(77,595)**
FINANCIAL PROFIT/(LOSS)		**1,721**	**24,449**
RECURRING PROFIT/(LOSS) BEFORE TAX		**(9,908)**	**17,370**
Non-recurring revenue from management transactions		-	1,350
Non-recurring revenue from capital transactions		-	-
Reversals of provisions, impairment and transfers of expenses		-	-
Non-recurring revenue	8	**-**	**1,350**
Non-recurring expenses on management transactions		(163)	(1,350)
Non-recurring expenses on capital transactions		-	-
Depreciation, amortization, impairment and provisions		-	-
Non-recurring expenses	8	**(163)**	**(1,350)**
NON-RECURRING PROFIT/(LOSS)		**(163)**	**-**
Income taxes	9	21,279	30,776
NET PROFIT/(LOSS)		**11,208**	**48 146**

NOTES

Note 1 Significant events

1.1 Overview and description of the activity performed by the Company

Europcar Mobility Group is one of the major players in the mobility sector. The Group offers a wide variety of mobility solutions to serve all the needs of its clients. The Group operates under several brands, the main ones of which are Europcar®, Goldcar®, InterRent®, Buchbinder® and Ubeeqo®. The Group is active worldwide through an extensive network in 140 countries (via 18 subsidiaries in Europe, 1 in The United States and 2 in Australia and New Zealand, as well as franchisees and partners).

Europcar Mobility Group S.A. (Formerly Europcar Groupe SA or "ECG") was registered on March 9, 2006, with an initial share capital of €235,000, then converted into a public limited company governed by French law on April 25, 2006. Europcar Mobility Group SA changed its governance on February 24, 2015 to take the form of a joint stock company with a Management Board and a Supervisory Board.

The headquarters of Europcar Mobility Group S.A. are located at 13 ter boulevard Berthier, 75017 Paris, France.

Europcar Mobility Group S.A. was first listed on the regulated market of Euronext Paris on June 26, 2015 (Compartment A; ISIN Code: FR0012789949; Symbol: EUCAR).

The Company's fiscal year begins on January 1 and ends on December 31 of each year.

At December 31, 2019, 29.89% of Europcar Mobility Group's capital was held by Eurazeo, and 70.11% by private and public investors.

In the separate financial statements 's notes below, the terms "Europcar Mobility Group" and "the Group" define Europcar Mobility Group SA and its consolidated subsidiaries, the term "Europcar Mobility Group SA, defining the parent company of the Group.

1.2 Significant events during the year

Scope changes and acquisitions of the period

On May 31, 2019, Europcar Mobility Group acquired 100% of its Finnish and Norwegian franchisees. Thanks to these acquisitions, the Group has expanded its network of subsidiaries from 18 to 20 countries, thus strengthening its presence throughout the world. Both companies have a strong presence in their respective national markets (No. 1 in Finland and No. 3 in Norway) with a customer base covering both the leisure and business markets.

On October 31, 2019 Europcar Mobility Group acquired 100% of Fox Rent A Car to accelerate its growth by a direct presence in the US, biggest worldwide market. Fox Rent A Car operates a network of 21 corporate stations and 100+ affiliates. It is present in 15 of the country's top 25 airports, with an attractive value for money price positioning, a significant track record of organic growth and a fleet of more than 20,000 vehicles.

On June 13, 2019, Europcar Mobility Group announced the sale of all its shares in SnappCar to Autobinck for €1.5 million.

Financing

On April 17, 2019, the Group announced the successful issue of €450 million of High Yield Notes bearing interest at 4% and due in 2026.

On May 29, 2019, the Group signed the amendment to the €500 million (RCF) Senior Revolving Credit Facility, for which the maximum available amount was increased by €150 million to €650 million.

On June 17, 2019, Europcar Mobility Group allocated the proceeds of the Notes issue with drawdowns as per the amended RCF:

(i) upon the early redemption in full of existing Europcar Mobility Group notes for €600 million bearing interest of 5.750% and falling due in 2022; and

(ii) upon the settlement of the estimated charges and expenses related to the issue of these notes.

Capital increase reserved for employees of the Group ("We Share 2019" plan)

In order to associate its employees more closely with the Group's activity and results, Europcar Mobility Group wished to offer them the possibility of subscribing for shares in the Company as part of a capital increase reserved for employees who are members of the Group employee savings plans.

On December 21, 2018, the Supervisory Board approved the principle of implementing the "we Share 2019" offer. The Management Board of June 21, 2019, decided that the shareholding operation for group employees would be carried out by issuing new shares on the basis of the thirty-third and thirty-fourth resolutions adopted by the Shareholders' Meeting of April 26, 2019.

The subscription price was set by the same Management Board at a price of 5.14 euros per share. Employees who subscribed to the "we Share 2019" offer benefited from a contribution up to a limit of 1000 euros per employee.

The Offer resulted in the completion, on July 30, 2019, of a capital increase of a total gross amount of € 14,666,450 by the issuance of 2,853,395 new shares with a par value of € 1 each.

1,608 employees in the 16 countries concerned, representing 11% of the Group's workforce, have chosen to subscribe to the Offer. Consequently, the shares held by Group employees represent, at December 31, 2019, 2.90% of the share capital of Europcar Mobility Group compared to 1.35% at December 31, 2018.

1.3 Subsequent events

None.

Note 2 Significant accounting policies

The annual financial statements of Europcar Mobility Group are prepared in accordance with accounting policies generally accepted in France for separate financial statements pursuant to the French General Accounting Plan (ANC regulation No. 2016-07 of November 4, 2016 relating to the General Accounting Plan).

The accounting policies used in the preparation of the financial statements for the fiscal year ended December 31, 2019 are identical to those used for the fiscal year ended December 31, 2018.

They were prepared in accordance with the historical cost convention.

The figures in the Notes are in thousands of euros, unless otherwise stated.

2.1 Intangible assets

This item comprises the Europcar trademark for the "long-term" vehicle rental activity (over one year), as well as the InterRent trademark for the low-cost business segment.

2.2 Measurement of non-amortized non-current assets

At each balance sheet date, Europcar Mobility Group conducts an impairment test to ensure that the fair value of the trademarks at this date is higher than their carrying amount.

Impairment is recognized when the carrying amount exceeds the greater of the fair value and the value in use.

2.3 Financial assets

Financial assets Securities and related advances

Investment securities are recorded at their purchase price, including costs directly attributable to their acquisition.

Impairment tests on securities are carried out on the basis of the value in use of the investment shares. Value in use is determined using discounted future cash flows based on business plans established by the management of each investment and approved by Europcar's management (discounted cash flow method).

For impairment test purposes, the three-year plan is extended to five years. The 2020 budget and the 2021 and 2023 business plans were prepared taking into account economic growth forecasts in the countries where the Group operates, current macroeconomic data for each country, air traffic growth forecasts, trends in the vehicle rental market and competitive pressure, as well as new projects and products in the development phase. Beyond 2023, revenue growth assumptions are conservative, and the projected profit margin is held steady.

If this value in use is lower than the net book value of the investment shares, impairment is recognized.

Securities are recognized at their acquisition price of €1,426,205 thousand. They consist of securities held in Europcar International SASU for €1,241,195 thousand, including incidental acquisition costs of €23,793 thousand, amortized on a straight-line basis over five years (fully amortized at December 31, 2019), and other securities held in Europcar Participations for €185,010 thousand.

2.4 Receivables and payables

Receivables and payables are stated at their nominal value. Impairment is recognized when a risk of non-recovery exists.

Unrealized foreign exchange gains are recorded as translation gains, whereas unrealized foreign exchange losses are recorded as translation losses and are subject to a provision for risks and expenses.

2.5 Liquidity contract and treasury stock

Treasury shares are recorded at their acquisition price. When the acquisition value is higher than the average price for the last month of the financial year, the difference is subject to financial depreciation. Capital gains or losses on disposal are recognized in financial income.

The value of treasury shares at December 31, 2019 amounted to 65.7 million euros, under the liquidity and share buyback contracts entrusted to specialized institutions. (Refer to chapter 6, section 6.3 of the Group's 2019 Universal Registration Document.

2.6 Provisions

A provision is recorded in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources with no counterpart will be required to settle the obligation, and that the amount can be reliably estimated.

If the effect is material, provisions are discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

2.7 Borrowings and bond issuance costs

Borrowings are recorded at their nominal repayment amount. They are not discounted.

For bonds or notes issued above par and redeemable at the nominal amount, the difference constitutes a share premium.

For bonds or notes issued below par and redeemable at a higher amount, the difference constitutes a redemption premium.

The redemption premium is recorded in the statement of financial position under "deferred expenses" and amortized over the term of the borrowing.

The share premium is recorded in the statement of financial position under "Other notes" and amortized over the term of the borrowing.

2.8 Retirement and post-employment benefits

Europcar Mobility Group grants its employees end-of-service indemnities and supplementary pensions through defined-contribution or defined-benefit plan.

Europcar Mobility Group has opted not to record its employee benefit obligations. The Company's obligations are valued by independent actuaries and reported in the Notes (see Note 21).

2.9 Capital increase expenses

Europcar Mobility Group has opted to charge the expenses related to the capital increase against the share premium.

Notes to the income statement

Note 3 Breakdown of revenue

Europcar Mobility Group's revenue excludes amounts derived from the rebilling costs to subsidiaries (see Note 4), and can be analyzed as follows:

	Figures at 12/31/2019			Amounts at 12/31/2018
(in thousands of euros)	**France**	**Excl. France**	**Total**	Total
Provision of services to subsidiaries	9,265	-	9,265	4,244
Franchise revenue	2,417	-	2,417	2,144
TOTAL	**11,682**	**-**	**11,682**	**6,388**

Note 4 Other income

Other income consists primarily of:

(in thousands of euros)	**Amounts at 12/31/2019**	Amounts at 12/31/2018
Rebilling of fees [(1)]	4 499	10,449
Rebilling of insurance	1,733	357
Rebilling of various expenses	10	-
Total	**6,242**	**10,806**

(1) Chargebacks of fees are mainly composed of costs incurred in connection with the acquisitions made by Europcar Participations (ECP) during the 2019 financial year.

Note 5 Other purchases and external expenses

In 2019, external charges include 4.0 million euros in fees, spent mainly in the context of acquisitions made by Europcar Participations (ECP) during the 2019 financial year. A chargeback to ECP of these costs is recognized in the Europcar Mobility Group's books at the end of the year.

Note 6 Executive compensation

Members of the Management Board received the following compensation in 2019 and 2018:

(in thousands of euros)	**At 12/31/2019**	At 12/31/2018
Employee salaries and short-term benefits	1,598	1,921
Post-employment benefits	-	-
Termination indemnities	-	-
TOTAL	**1,598**	**1,921**

In 2019, Europcar Mobility Group made payments of €674 thousand to members of the Supervisory Board for attendance fees and other compensation (compared with €682 thousand in the previous year).

Note 7 Net financing income

Net financing income amounted to €1,721 thousand, comprising:

(in thousands of euros)	**Amounts at 12/31/2019**	Amounts at 12/31/2018
Income from equity interest	100,100	90,200
Other interest & similar income, and receivables from non-current assets	9,613	10,320
Other interest and similar income	-	1,202
Net revenue from disposal of marketable securities	136	322
Other	-	-
Financial revenue	**109,850**	**102,044**
Interest on notes	(52,963)	(59,181)
Provision for impairment of marketable securities	(24,380)	(4,964)
Provision for risk of exchange rate	(867)	-
Interest on the revolving credit facility	(4,644)	(3,930)
Interest on intra-group debt	-	-
Amortization of transaction costs	(6,606)	(8,909)
Net expense on disposal of marketable securities	(8,953)	(179)
Other	(9,716)	(434)
Financial expense	**(108,128)**	**(77,595)**
NET FINANCING INCOME	**1,721**	**24,449**

Senior notes for €600 million maturing in 2024 and €450 million maturing in 2026

On November 2, 2017, the Group issued new high yield notes due 2024 for a total amount of €600 million to finance the acquisitions of Buchbinder and Goldcar. These high yield notes, bearing interest at an annual fixed rate of 4.125%, were issued by Europcar Drive DAC, a special purpose vehicle. On the issue date a portion of the net issue proceeds (€400 million) was transferred directly into an escrow account specifically set up for the acquisition of Goldcar pending completion of the deal. The remaining proceeds were transferred directly to Europcar Mobility Group. Upon completion of the acquisition of Goldcar on December 19, 2017, the funds were released from the escrow account. At the same time Europcar Drive DAC was released from these notes in respect of the new high yield notes due in 2024, which were assumed by Europcar Mobility Group.

On April 24, 2019, the Group issued Senior bonds maturing in 2026 for a total amount of 450 million euros. These Senior Bonds, which bear interest at a fixed annual rate of 4.00%, have been issued by Europcar Drive DAC, an ad hoc company. The proceeds from the issuance of the 2026 Subordinated Bonds were initially deposited into an escrow account and were not released to the benefit of the Company until an escrow was lifted on June 15, 2019, concomitantly with an endorsement from the RCF.

On June 15, 2019, the Company assumed all of the obligations of Europcar Mobility Drive as the issuer of the 2026 Subordinated Bonds and the gross proceeds from the issue of the 2026 Subordinated Bonds were allocated, with drawings under the RCF and availability (i) early redemption of the 2022 Subordinated Bonds; and (ii) the settlement of estimated costs and expenses relating to the issuance of the 2026 Subordinated Bonds.

Note 8 Non-recurring profit/(loss)

Non-recurring income/(expenses) is primarily composed of:

(in thousands of euros)	**Amounts at 12/31/2019**	Amounts at 12/31/2018
Daimler's compensation for late delivery	-	1,350
Other non-recurring revenue	-	-
Non-recurring revenue	**-**	**1,350**
Other non-recurring expenses	(163)	-
Subsidiary's repayment of Daimler's compensation		(1,350)
Non-recurring expenses	**(163)**	**(1,350)**
Non-recurring profit/(loss)	**(163)**	**0**

3

Note 9 Corporate income tax: breakdown and tax liabilities

Breakdown *(in thousands of euros)*	Profit/(loss) before tax, at 12/31/2019	Current tax	Net profit/ (loss) at 12/31/2019	Net profit/ (loss) at 12/31/2018
Recurring profit/(loss)	(9,908)	21,279	11,371	48,146
Non-recurring profit/(loss)	-	-	(163)	-
TOTAL	**(9,908)**	**(21,279)**	**11 208**	**48,146**

Note 10 Tax group

Europcar Mobility Group is the parent company of the French tax group comprising Europcar International, Europcar Lab, Europcar Holding, Europcar Participations, Europcar France, Parcoto, EC3, EC4, Goldcar France, Goldcar FleetCo France, Ubeeqo France and Ubeeqo International.

Europcar Mobility Group is the only entity liable for tax for the entire consolidated tax group.

Each consolidated company is placed in the position it would have been in as regards tax if it had been taxed separately. Tax income and expense on consolidated companies are recognized in the financial statements of Europcar Mobility Group.

As the parent company, Europcar Mobility Group recognizes the gains resulting from the effects of the tax group in its financial statements. Accordingly, Europcar Mobility Group recognized tax group income of €21,549 thousand in 2019.

Tax loss carry forwards for the scope of the tax group amounted to €604 million at December 31, 2019.

As the parent company, Europcar Mobility Group had no corporate income tax charges at December 31, 2019.

In December 2019, the full employment and competitiveness tax credit (CICE) owed to the subsidiaries of the Europcar Mobility Group's tax consolidation group was subject to advancing financing by Societe Generale Factoring for a total amount of €4,143 thousand.

Notes to the statement of financial position

Note 11 Statement of fixed assets

(in thousands of euros)	Amounts at 12/31/2018	Increases during the period	Reductions during the period	**Amounts at 12/31/2019**
Trademarks (1)	28,500	-	-	28,500
TOTAL INTANGIBLE ASSETS	**28,500**	**-**	**-**	**28,500**
Investment Securities (2)	1,426,205	-	-	1,426 205
Loans and other financial assets (3)	144,559	91,018	(414)	235,163
TOTAL FINANCIAL ASSETS	**1,570,763**	**91,018**	**(414)**	**1,661,368**

(1) Intangible assets consist of the Europcar trademark for the "long-term" vehicle rental activity (more than one year) for €25,000 thousand and the InterRent trademark for €3,500 thousand.
(2) Investment securities correspond to Europcar International SASU subsidiary which is wholly owned by Europcar Mobility Group, for €1,241,195 thousand, and the wholly owned subsidiary, Europcar Participations, for €185,010 thousand.
The investment securities of Europcar International SASU include incidental acquisition expenses (€23,793 thousand). These latter which were the subject of straight-line amortization over five years, were fully amortized as of December 31, 2018.
(3) The loans represent amounts made available for the benefit of the subsidiary Europcar International SASU for 144,490 thousand euros and for the benefit of the American subsidiaries, Europcar Mobility Group USA LLC and Fox Rent A Car Inc for 90,651 thousand euros.

Since these assets have an indefinite life, they are not amortized.

No impairment was recognized on non-current assets.

Note 12 Amounts and maturities of receivables

Receivables *(in thousands of euros)*	**Net amounts at 12/31/2019**	1 year maximum	From 1 to 5 years	More than 5 years
Loans	235,141	91,019	-	144,122
Other financial assets	22	-	22	-
Trade and other receivables	22,427	22,427	-	-
Tax and social security receivables	2,987	2,987	-	-
Associates	534,541	534,541	-	-
Deferred Note issuance costs	15,381	3,694	10,733	954
TOTAL	**810,499**	**654,668**	**10,755**	**145,076**

Aging of receivables *(in thousands of euros)*	**Amounts at 12/31/2019**	Amounts at 12/31/2018
Not yet due	-	848
Overdue by <30 days	27	(1,280)
Overdue by >30 days and <6 months	498	142
Overdue by >6 months and <1 year	213	-
Overdue by >1 year	4,142	4,787
TOTAL	**4,880**	**4,497**

Note 13 Amounts and maturities of payables

Operating liabilities

Liabilities *(in thousands of euros)*	Gross amounts at 12/31/2019	1 year maximum	More than 1 year
Trade and other payables	12,007	12,007	-
Tax and social security liabilities	3,286	3,286	-
Other debt	-	-	-
Group and Associates	8,193	8,193	
Deferred income	-	-	-
TOTAL	**23,486**	**23,486**	**-**

Aging of trade payables at 12/31/2019 *(in thousands of euros)*	Not yet due	Due	Due			Total
			<45 days	From 46 to 60 days	>60 days	
Suppliers within the Group	-	-	-	-	-	-
Suppliers outside the Group	806	1,924	-	-	1,924	2,730
TOTAL	**806**	**1,924**	**-**	**-**	**1,924**	**2,730**

Financial liabilities

Aging of financial liabilities *(in thousands of euros)*	Gross amounts at 12/31/2019	1 year maximum	More than 1 year
Other non-convertible notes	1,050,000	-	1,050,000
Share premium	-	-	-
Accrued interest not due	6,194	6,194	-
Borrowings from credit institutions	368,345	368,345	-
TOTAL	**1,424,539**	**374,539**	**1,050 000**

Note 14 Information on related companies

The following information on related companies corresponds to transactions with subsidiaries included in the scope of consolidation at December 31, 2019, of which Europcar Mobility Group is the parent company.

Gross values

(in thousands of euros)	**Amounts at 12/31/2019**	Amounts at 12/31/2018
ASSETS		
Investments	1,426,205	1,426 205
Loans	235,141	144,536
Trade and other receivables	17,850	27,891
Other receivables	534,541	453,006
LIABILITIES		
Trade and other payables	3,464	2,848
Other debt	8,193	-
INCOME STATEMENT		
Operating revenue	18,059	17,361
Operating expenses	2,074	1,405
Non-recurring expenses	-	1,348
Financial expense	-	-
Financial revenue	109,713	100,520
Tax consolidation benefit	21,549	30,776

Note 15 Marketable securities

The number of treasury shares held can be analyzed as follows:

(in number of shares)	12/31/2018	Increase	Reduction	**12/31/2019**
Amafi liquidity agreement	10,250	2,024,808	(1,900,058)	135,000
Share buy-back agreement	4,147,800	6,548,469	(1,868,990)	8,827,279
TOTAL	**4,158,050**	**8,573,277**	**(3,769,048)**	**8,962,279**

The value of the treasury shares included in marketable securities was €65 718 thousand at December 31, 2019.

The shares were subject to a provision for impairment in the amount of €29,345 thousand.

Note 16 Deferred expenses and premiums on early redemption of bonds

At December 31, 2019, "Deferred Note issuance costs" and "Premium on early redemption of bonds" totaling €15,381 thousand included:

- costs related to the renegotiation of the €350 million Revolving Credit Facility maturing in five years and which went into effect in May 2015, in the amount of €0.4 million;
- refinancing costs incurred on the issue of High Yield Notes due 2024 in the amount of €600 million, that were issued in November 2017, for a net amount of €5.1 million;
- expenses related to the renegotiation in November 2017 of the €350 million Revolving Credit Facility maturing in 2022, for a net amount of €2.6 million;
- refinancing costs incurred on the issue of High Yield Notes due 2026 in the amount of €450 million that were issued in April 2019 for a net amount of €5.2 million;
- expenses related to the amendment of the €650 million Revolving Credit Facility for a net amount of €2.1 million.

These expenses are amortized over the term of the borrowings.

Note 17 Accrued expenses

(in thousands of euros)	**Amounts at 12/31/2019**	Amounts at 12/31/2018
LIABILITIES		
Interest accrued on bonds and other borrowings	6,288	4,531
Loans and borrowings	**6,288**	**4,531**
Non-corporate suppliers	5,812	3,724
Corporate suppliers	3,465	2,847
Trade and other payables	**9,277**	**6,571**
Provisions for wages	-	965
Provisions – Other personnel expenses	-	-
Provisions on accrued social security charges	581	963
Withholding tax on wages	-	-
Other taxes payable	162	189
Other accrued expenses	-	-
Tax and social security liabilities	**743**	**2,117**
TOTAL ACCRUED EXPENSES	**16,308**	**13,219**

Note 18 Accrued income

(in thousands of euros)	**Amounts at 12/31/2019**	Amounts at 12/31/2018
ASSETS		
Accrued interest – Loans	930	414
Financial assets	**930**	**414**
Interco – Corporate	16.962	23,395
Miscellaneous income receivable	586	47
Other receivables	840	-
Trade and other receivables	**18,388**	**23,442**
TOTAL ACCRUED INCOME	**19,318**	**23,856**

Note 19 Shareholders' equity

Statement of changes in shareholders' equity

(in thousands of euros)	**Share capital**	**Legal reserve**	**Share premiums**	**Retained earnings (losses)**	**Net profit (loss)**	**Regulated provisions**	**Share-holders' equity**
Balance at January 1, 2019	**161,031**		**692,255**	**-**	**47,527**	**23,793**	**924,606**
Net profit/(loss) for 2019	**-**	**-**	**-**	**-**	**11,208**		**11,208**
Allocation of earnings Legal Reserve	-	2,376	-	-	(2,376)	-	-
Cash Distribution deducted from Earnings	-		-	-	(24,295)		(24,295)
Allocation of earnings Retained earnings				20,856	(20,856)		-
Cash Distribution deducted from Retained Earnings	-			(15,184)			(15,184)
We Share2019 Program	2,853	14,012	(2199)	-	-	-	14,666
AGA Conversion			(2,837)				(2,837)
BALANCE AT DECEMBER 31, 2019	**163,884**	**16,388**	**687,219**	**5,672**	**11,208**	**23,793**	**908,164**

Special distribution deducted from retained earnings

The Combined Shareholders' Meeting of Europcar Mobility Group SA held on April 26, 2019 approved the payment of a special distribution exclusively in cash deducted from the retained earnings of a total amount of €15,184,081 set at €0.10 per share.

The right to this special distribution was allocated on May 21, 2019 and was paid exclusively in cash on May 23, 2019 representing a total of 151,840,812 shares.

Share capital and share premiums

At December 31, 2019, the registered share capital of Europcar Mobility Group was €163,884,279, consisting of 163,884,279 shares, each with a par value of €1.00 each.

At December 31, 2019, the breakdown of shareholders in the share capital of the Company was as follows:

Shareholders	Number of common shares and voting rights	Number of Class B Preferred Shares	Number of Class C Preferred Shares	Number of Class D Preferred Shares	Total number of shares	Percentage of common shares and voting rights	Percentage of share capital
Eurazeo SE	48 988 740	-	-	-	48 988 240	31,50%	29,79%
CIAM	12 151 978	-	-	-	12 151 978	7,82%	7,39%
ECIP EC SARL	4 990 000	-	-	-	4 990 000	3,21%	3,03%
Morgan Stanley	13 330 226	-	-	-	13 330 226	8,57%	8,11%
Public	53 909 001	-	-	-	53 603 986	32,71%	32,78%
Management and employees	4 912 358	-	-	-	4 644 698	3,16%	2,99%
INVESCO	8 546 706	-	-	-	8 546 706	5,50%	5,20%
Financière de l'Échiquier	8 666 165	-	-	-	8 666 165	5,57%	5,27%
Treasury shares	8 962 279	-	-	-	8 962 279	-	5,45%
TOTAL	**164 457 453**	**-**	**-**	**-**	**163 884 278**	**100%**	**100%**

Date	Transaction	Share capital *(in euros)*	Legal Reserve	Share premium *(in euros)*	Number of shares	Par value *(in euros)*
12/31/2018		161,030,883	-	692,255,458	161,030 883	1.000
4/26/2019	Profit appropriation by Share Premium	-	2,376,378	-	-	-
7/30/2019	We Share2019 Program	2,853,395	14,012,050	(2,198,995)	2,853,395	1.000
10/31/2019	AGA Conversion	-	-	(2,838,732)	-	1.000
12/31/2019		163,884,278	16,388,428	687,217,731	163,884,278	1.000

At December 31, 2018, the breakdown of shareholders in the share capital of the Company was as follows:

Shareholders	Number of common shares and voting rights	Number of Class B Preferred Shares	Number of Class C Preferred Shares	Number of Class D Preferred Shares	Total number of shares	Percentage of common shares and voting rights	Percentage of share capital
Eurazeo SE	48 987 506	-	-	234	48 987 740	31,23%	30,42%
Kairos Investment Management SPA	8 072 043	-	-	-	8 072 043	5,15%	5,01%
ECIP EC SARL	4 990 000	-	-	-	4 990 000	3,18%	3,10%
Morgan Stanley	8 177 148	-	-	-	8 177 148	5,21%	5,08%
Public	84 314 853	-	1 526	1 526	84 317 905	53,80%	49,92%
Management and employees	2 165 700	-	2 519	2 281	2 170 500	1,42%	1,35%
Treasury shares	4 315 547	-	-	-	4 315 547	0%	5,12%
TOTAL	**161 022 797**	**-**	**4 045**	**4 041**	**161 030 883**	**100%**	**100%**

Regulated provisions

(in thousands of euros)	Amounts at 12/31/2018	Accruals during the period	Provions reversed during the period (used)	Provions reversed during the period (unused)	**Amounts at 12/31/2019**
Accelerated depreciation (See Note 2.3)	23,793	-	-	-	23,793
Regulated provisions	23,793	-	-	-	23,793

Note 20 Provisions

(in thousands of euros)	Amounts at 12/31/2018	Accruals during the period	Provions reversed during the period (used)	Reclass.	**Amounts at 12/31/2019**
Provisions for risks and expenses	140	867	(140)	-	867
Impairment	-	-	-	-	-
Provisions	140	867	(140)	-	867

At December 31, 2019, Europcar Mobility Group SA recognized an unrealized exchange loss on the loans granted to its American subsidiaries of € 867 thousand, which was the subject of a provision for risks and charges of the same amount.

Leicester City Council Trading Standards Services investigation

On June 23, 2017, the Leicester City Council trade services investigation Department opened an inquiry into Europcar UK for a breach of Article 9 of the 2008 of the Consumer Protection Act on Unfair Trading, based on allegations according to which: Europcar UK (i) had billed its customers, without their consent, repair costs for damage caused to vehicles in cases where the damage was contested, and (ii) had billed excessive amounts, over and above the actual cost of the repairs. Europcar UK is cooperating with the authorities in charge of the inquiry. Europcar UK, along with the trade services investigation Department, established the list of documents that must be submitted by the Company and appointed Deloitte to fulfill this task. The results of the investigations conducted by Deloitte were presented to the trade services investigation Department in November 2018.

The Leicester trade services Department investigations are in progress and the Group continues to fully cooperate with the authorities.

In its financial statements as of December 31, 2017, the Group recorded a provision of £38 million (€43 million) in non-recurring expenses. This amount corresponded to the Group's best estimate, at this very early stage of the investigation, based on a number of assumptions, including an assumption that the charging practices will be found to be misleading under Article 9 of the 2008 Consumer Protection Act on Unfair Trading and potentially inappropriate behavior when charging repairs costs to consumers.

A new risk estimate was made as of December 31, 2019. On the basis of the analysis at that date, the Group decided to keep the provision of £ 38 million booked the previous year.

Off-balance sheet items

Note 21 Off-balance sheet commitments

a) Guarantees

Pursuant to Article 4 of regulation 2010-02 of September 2, 2010 of the French Accounting Standards Authority, repealed and subsequently included in ANC regulation 2014-03, modified by ANC regulation 2016-07 relating to related party transactions and transactions not recorded in the statement of financial position, the financial commitments of the Company, given and received, as of December 31, 2019 are as follows:

GUARANTEES AND SURETIES GIVEN

To secure the Senior Revolving Credit Facility (or RCF), dated July 13, 2017, as amended at December 21, 2018 and May 29, 2019, the following guarantees have been notably put in place by the Company for the benefit of lenders and hedging banks:

- joint and several guarantee of the obligations of the borrowers and lenders (Obligors);
- pledge of the Europcar International S.A.S.U. shares held by the Company;
- pledge of the shares held in certain direct or indirect subsidiaries of Europcar International S.A.S.U. (Europcar Holding S.A.S., Europcar France S.A.S., Europcar UK Limited, Europcar Autovermietung GmbH, Europcar Italia S.p.A., Europcar IB S.A.U. and Europcar International S.A.S.U. und Co. ONG).

To secure the indenture governing the EC Finance Notes (notes issued with a principal of €500 million and bearing interest at 2.375%, due in 2022) dated November 2, 2017, the following guarantee was notably put in place by the Company: a joint and several guarantee of the obligations of EC Finance Plc in respect of the indenture and Notes.

To secure the indenture governing the 2024 Subordinated Notes (notes issued with a principal of €600 million and bearing interest at 4.125%, due in 2024) and the 2026 Subordinated Notes (notes issued with a principal of €450 million and bearing interest at 4.000%, due in 2026), dated November 2, 2017 and April 24, 2019, respectively, the following guarantee was notably put in place by the Company: a pledge over the Europcar International S.A.S.U. shares held by the Company (second ranking guarantee following the guarantee granted under the Senior Revolving Credit Facility).

GUARANTEES AND SURETIES RECEIVED

Asset and liability guarantee granted by the Volkswagen group

The Company was granted a vendor warranty by the Volkswagen group at the time of its acquisition of the Europcar Group in 2006. This warranty is expired and can no longer be implemented. However, the Company may still receive compensation in respect of actions already undertaken, subject to the completion of ongoing litigation or pre-litigation and in agreement with Volkswagen on the final amount of such compensations.

b) Employee benefit financial obligations

Legal and contractual retirement indemnities amounted to €143 thousand (€160 thousand in 2018) based on the valuation method prescribed by ANC recommendation No. 2013-02.

The Company has commitments with respect to defined employee pension plans (PIDR). This commitment is assessed by an independent actuary using the projected unit credit method. This method requires the use of the specific actuarial assumptions set out below. These actuarial valuations are performed at the period end for each plan by estimating the present value of the amount of future benefits that employees have earned in return for their service in the current and prior periods and factoring in the effects of future salary increases.

The assumptions are:

- discount rate: 0.70%;
- long-term inflation rate: 1.70%;
- return on the fund: 0.70%;
- increase rate of salaries: 3.50%.

The cost of services rendered in 2019 was €24 thousand, and the financial cost €2 thousand.

c) Other commitments

None

Additional information

Note 22 Headcount

	Average headcount at 12/31/2019	
	Salaried personnel	Personnel seconded to the company
Managers and similar	13.85	-
TOTAL	**13.85**	**-**

Note 23 Free share grants

The Company's Extraordinary Shareholders' Meeting of May 10, 2016, in its 12th resolution, authorized the implementation free performance shares award scheme, in favor of some employees or managers of the Group. This authorization has been given for a 26-month period and is valid until July 8, 2018.

The Company's Extraordinary Shareholders' Meeting of April 26, 2019, in its 32th resolution, authorized the implementation free performance shares award scheme, in favor of some employees or managers of the Group.

(i) "AGA 18"

On March 20, 2018, the Supervisory Board authorized the Management Board to implement a free performance shares award scheme for the management and certain employees of the Group (the "2018 Free Share Plan").

The acquisition of these performance shares, following a vesting period of three years, is subject to the beneficiary's continued employment with the Group on the vesting date, and the achievement of the following performance conditions for the fiscal years ended December 31, 2018, December 31, 2019 and December 31, 2020, related to (i) Group EBITDA, (ii) revenue, and (iii) a relative TSR (Total Shareholder Return).

Furthermore, when the vesting period is equal to three years, no holding period is required for free shares.

The number of free shares initially granted was 901,781. At December 31, 2019, 772,181 free shares under AGA 18 were still vesting.

(ii) "AGA 19"

On March 20, 2019, the Supervisory Board authorized the Management Board to implement a free performance shares award scheme for the management and certain employees of the Group (the "AGA 2019 Plan").

The acquisition of these performance shares, following a vesting period of three years, is subject to the beneficiary's continued employment with the Group on the vesting date, and the achievement of the following performance conditions for the fiscal years ended December 31, 2019, December 31, 2020 and December 31, 2021, related to (i) Group EBITDA, (ii) revenue, and (iii) a relative TSR (Total Shareholder Return).

Furthermore, when the vesting period is equal to three years, no holding period is required for free shares.

The number of free shares initially granted was 968,000. At December 31, 2019, 960,000 free shares under AGA 19 were still vesting.

	Type of plan	Grant date	Number of shares granted	Currently vesting	Length of vesting period	Vesting period	Fair value of the shares *(in euros)* (1)
AGA 18	Free shares	July 25, 2018	658,981	591,981	3 years	July 25, 2021	7.98
AGA 18	Free shares	October 25, 2018	242,800	180,200	3 years	October 25, 2021	7.57
AGA 19	Free shares	May 22, 2019	573,000	573,000	3 years	May 22, 2022	5.92
AGA 19	Free shares	November 4, 2019	395,000	387,000	3 years	November 4, 2022	2.90

(1) Fair value at grant date.

The 20% employer contribution for the AGA 18 plan and AGA 19 plan were calculated on a basis corresponding to the fair unit value of the shares as estimated at the grant date.

Movements relating to the acquisition of free shares in 2019 and 2018, to which IFRS 2 standard "Share-based payments" applies, are as follows:

	Number of shares
Currently vesting on January 1, 2018	**576,100**
Granted	883,781
Canceled	(17,200)
Delivered	-
Currently vesting on December 31, 2018	**1,442,681**
Granted	960,000
Canceled	(227,280)
Delivered	(451,220)
CURRENTLY VESTING ON DECEMBER 31, 2019	**1,732 181**

In December 31, 2019, the impact on the income statement for services received was an expense of €0,7 million compared with €2.5 million as at December 31, 2018. The counterpart has been credited to equity.

Significant assumptions used

The weighted average fair value of the allocated shares was determined on the grant date using the Monte Carlo simulation model.

For the AGA 18 and AGA 19 plans, the dividend rate was 3%. The fair values on the grant date were calculated by restating the amount of dividends discounted during the vesting period.

Note 24 Subsidiaries and affiliates

	Share capital	QS held	Gross value equity	Loans, advances	Total revenue
Corporate name	Shareholders' equity	Dividends received	Net value equity	Guarantees	Net profit (loss)
SUBSIDIARIES (over 50%)					
Europcar International SASU (FRANCE)	110,000	100%	1,241,195	144,122	167,541
	247,524	100,100	1,241 195	-	66,082
EC Participations	18,510	100%	185,010	-	5,759
	176,602	-	185,010	-	(578)
ASSOCIATES (10 to 50%)					
	-	-	-	-	-

Statutory Auditors' report on the financial statements

(for the year ended December 31, 2019)

This is a translation into English of the Statutory Auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.
This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,
Europcar Mobility Group
13 *ter* Boulevard Berthier
75017 Paris

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Europcar Mobility Group for the year ended December 31, 2019.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2019 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1st, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5 (1) of regulation (EU) No 537/2014 or in the French Code of Ethics (Code de déontologie) for Statutory Auditors.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matter relating to risks of material misstatement that, in our professional judgment, was of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These assessments were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of Investments

Identified risk	Audit approach
Investment securities are recorded at their purchase price, including costs directly attributable to their acquisition. Investment securities net book value amounts to €1,426 million as of December 31, 2019, i.e. 60% of total assets. As indicated in Note 2.3, annual impairment test is performed on securities. Value in use is determined using the discounted future cash flow method based on business plans prepared by the management of each entity and validated by the Group management. An impairment loss is recognised in the balance sheet when their net carrying amount exceeds their value in use. Considering investments securities are significant, the high degree of estimate and judgment to build models, and their sensitivity to changes in the data and assumptions underlying the estimates, particularly cash flow forecasts and discount rates used, we considered the valuation of investments to be a key audit matter.	Our procedures mainly consisted of: • understanding the process to prepare the three-year business plans used by the management to determine the recoverable amounts; • considering the main assumptions made by the management with business performance over the past years and assessing variances between previous years forecast and actual figures; • assessing the principles and methods to determine the value in use of securities in accordance with generally accepted valuation methods; • challenging and corroborating, notably through interviews with management, the reasonableness of the main data and assumptions underlying the estimates such as future cash flow forecasts, long term growth rate and discount rates; • testing the arithmetical accuracy of the valuations used by the management on a sample basis; • performing our own sensitivity analyzes. We assessed, with the support of our valuation experts: • the discount rates (WACC) used to determine the discounted cash flows; • the long term growth rate used to determine the terminal value. We also assessed the appropriateness of the disclosures in Notes 2.3 and 11 to the annual financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

We attest to the fair presentation and the consistency with the financial statements of information related to payment terms as mentioned in Article D.441-4 of the French Commercial Code.

Report on corporate governance

We attest that the Supervisory Board's report on corporate governance sets out the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code (Code de commerce) relating to remunerations and benefits received by the Directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlling and controlled companies. Based on this work, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover or exchange offer, provided pursuant to Article L. 225-37-5 of the French Commercial Code (Code de commerce), we have verified their compliance with the source documents communicated to us. Based on our work, we have no observation to make on this information

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Europcar Mobility Group by the Annual General Meeting held on May 16, 2013 for Mazars and on status on March 9, 2006 for PricewaterhouseCoopers Audit.

As at December 31, 2019, Mazars was in the 7th year of total uninterrupted engagement and PricewaterhouseCoopers Audit was in the 14th year of total uninterrupted engagement, and 5 years since securities of the Company were admitted to trading on a regulated market, respectively.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its Internal Audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit.

And furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Courbevoie, February 25, 2020

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit	Mazars
Romain Dumont	Isabelle Massa

3.7 INFORMATION ON PAYMENT TERMS OF SUPPLIERS AND CUSTOMERS OF THE PARENT COMPANY EUROPCAR MOBILITY GROUP SA

3

At December 31, 2019

	Invoices received but not settled at year-end and therefore past due					
(in thousands of euros)	**Due at 0 days**	**Due between 1 and 30 days**	**Due between 31 and 60 days**	**Due between 61 and 90 days**	**Due within more than 91 days**	**Total (1 day and more)**
A. Overdue tranche						
Number of invoices concerned	18					19
Total amount of invoices concerned excl. tax	153	24	237	1	458	720
Percentage of the total amount of purchases excl. tax for the year	1.02%	0.16%	1.58%	0.01%	3.04%	4.78%
Percentage of total revenue excl. tax for the year						
B. Overdue tranche						
Number of invoices excluded			0			
Total amount of invoices excluded			0			
C. Payment terms used to calculate payment delays						
Payment terms used to calculate payment delays	*Contractual terms of 60 days from end of month of date of invoice*					

At December 31, 2018

	Invoices received but not settled at year-end and therefore past due					
(in thousands of euros)	Due at 0 days	Due between 1 and 30 days	Due between 31 and 60 days	Due between 61 and 90 days	Due within more than 91 days	Total (1 day and more)
A. Overdue tranche						
Number of invoices concerned	0	2				27
Total amount of invoices concerned incl. tax	0	27	498	0	4,930	4,998
Percentage of the total amount of purchases excl. tax for the year						
Percentage of total revenue excl. tax for the year	13.28%	1.07%	0%	0%	77.17%	78.24%
B. Overdue tranche						
Number of invoices excluded			0			
Total amount of invoices excluded			0			
C. Payment terms used to calculate payment delays						
Payment terms used to calculate payment delays	*Contractual terms of 30 days from end of month of date of invoice*					

3.8 OUTLOOK FOR FISCAL YEAR 2020

3.8.1 Group forecasts for the year ending December 31, 2020

In light of the situation and the shutdown and confinement decisions made by several European governments during March 2020, the Group communicated on March 23, 2020 that its 2020 targets are no longer relevant and that it is unable to achieve the expected results and balance sheet position forecast in its 2019 full-year results published on February 25, 2020.

In response to this exceptional situation and the resulting loss of income, the Group has launched an unprecedented cost reduction and cash protection plan in order to get through the next few months of crisis as well as possible, and be able to resume its activities as soon as the local economies have regained momentum:

In operational terms, across the Group's entire scope, in a situation making it difficult to implement certain savings measures: 1/ Reduced fleet volume and, at the same time, deferred purchases until further notice. 2/ Contract renegotiations. 3/ Partial unemployment and staff adjustments wherever possible. 4/ Total freezing of CAPEX. 5/ Cessation of all operational expenses considered non-essential.

In terms of liquidity: 1/ Access to funds announced by the governments and the European Union, including the financing of social measures and the cancellation or deferral of taxes. 2/ Ongoing discussions with fund lenders to raise additional credit lines guaranteed by some States. 3/ The Europcar Mobility Group Supervisory Board will also propose the cancellation of the dividend payout for 2019 at the General Shareholders' Meeting of June 12, 2020.

3.9 INFORMATION ON MEDIUM-TERM TRENDS AND OBJECTIVES

3.9.1 Recent events

A detailed description of the Group's results for the year ended December 31, 2019 is provided in Section 3.1 "Analysis of the Group's results" of this Universal Registration Document.

3.9.2 Ambitions 2023, SHIFT 2023 plan

Given the scale of this crisis and the exceptional travel restrictions or lockdowns decided by several European countries, the Group believes its 2020 targets are out of date and that it is premature to estimate the impact of the current crisis on both its short-term (2020) and long-term (2023) goals. The impact will depend on how long the pandemic lasts and how quickly local economies recover.

3.10 SIGNIFICANT CHANGE IN THE FINANCIAL OR BUSINESS POSITION

To the Company's knowledge, there has been no significant change in the Group's or Company's financial or business position since December 31, 2019 other than as described in this document.

3.11 COMMENTS OF THE SUPERVISORY BOARD ON THE MANAGEMENT BOARD'S REPORT AND THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

Dear shareholders,

The Company's Management Board has invited you to attend the Annual Shareholders' Meeting in accordance with the law and the Company's by-laws, in order to present to you the situation and activity of our Company for the year ended December 31, 2019 and to submit for your approval the financial statements of said year and the allocation of income.

You are reminded that, in accordance with Article L. 225-68 of the French Commercial Code, the Supervisory Board is required to present to the Annual Shareholders' Meeting its observations on the report of the Management Board, as well as on the financial statements approved by the Management Board and submitted to the meeting.

You are advised that the Company financial statements and the consolidated financial statements for the year ended December 31, 2019, as well as the management report, were provided by the Management Board to the Supervisory Board within the time frame provided by the legal and regulatory provisions in force.

The resolutions presented to you by the Management Board have been discussed and approved by the Supervisory Board.

After verifying and reviewing the Company financial statements, the consolidated financial statements and the Management Board's report, we inform you that the Supervisory Board has no particular comments to make on these documents and asks that you adopt all the resolutions proposed to you by the Management Board.

4 STATEMENT OF NON-FINANCIAL PERFORMANCE

For information purposes, in this Chapter, and unless otherwise indicated, 2019 figures presented relate to the Corporate Countries held between January 1, 2019 and December 31, 2019, excluding:

(i) figures relating to the Finnish and Norwegian franchises acquired by Europcar on May 30, 2019 and

(ii) figures relating to Fox Rent A Car, an American Company acquired by Europcar on October 31, 2019.

In this Chapter, as in the Registration Document, and unless otherwise indicated, the comparisons of figures between fiscal years 2019 and 2019 are made on the basis of reported data, and therefore do not include restatements for acquisitions or disposals for the years in question.

4.1 INTRODUCTION

4.1.1 Market context and Europcar Mobility Group business model

For over 70 years, Europcar Mobility Group has been one of the leading mobility operators, and a company listed on Euronext Paris. Throughout its historical vehicle rental business, the Group has long reflected the fundamentals of the usage economy and sharing in its core business – mobility.

Today, the mobility sector is undergoing profound change and is closely linked to the challenges of massive urbanization, urban congestion and ecological transition. In recent years, new operators have emerged and new mobility offers, particularly in urban areas, marked by greater flexibility (mobility on demand), a high level of digitization (connected mobility, multimodal platforms, and others) and more environmentally aware mobility solutions (electric, hybrid, and hydrogen mobility).

Since 2014, Europcar Mobility Group has undertaken a profound transformation, accelerating its international development, addressing new usages of vehicle rental and diversifying its activities beyond its historical business. From a vehicle rental specialist, Europcar Mobility Group's goal is to be the preferred mobility service company of customers by offering attractive alternative solutions to vehicle ownership, as part of a process of sustainable and inclusive mobility. In this context, the Group has become a global supplier of mobility solutions, offering a broad range of services: vehicle rental, utility vehicle rental, chauffeur services, car-sharing, scooter-sharing.

Customer satisfaction is at the heart of the corporate mission of the Group and all its employees, driving the ongoing development of new services.

Europcar Mobility Group operates through different brands to meet the specific needs of each customer. Its four major brands are: Europcar® – the European leader in vehicle rental, Goldcar® – the European leader in low-cost vehicles, InterRent® – the specialist in the rental of vacation-oriented mid-range vehicles, and Ubeeqo® – the European leader in closed-loop car-sharing (BtoB, BtoC). Europcar Mobility Group offers its different mobility solutions and services around the world through a vast network present in more than 140 countries (including 21 own subsidiaries of which 18 in Europe, 2 in Australia and New Zealand, and one in the United States, franchisees and partners).

In 2019, Europcar Mobility Group expanded its global presence through strategic acquisitions.

- In August, the Group acquired the entire capital of Fox Rent A Car, one of the largest independent vehicle rental operators in the United States. It thus, accelerated its dynamic growth with a direct presence in the United States, the world's largest market. This acquisition marks a key step in the implementation of the Group' strategic roadmap.
- Europcar Mobility Group also finalized the acquisition of its Finnish and Norwegian franchisees. As a result, the Group expanded its network of own subsidiaries and strengthened its leadership in Northern Europe.

At December 31, 2019, the Group had 10,434 employees in its network of over 1,900 direct stations and over 1,700 franchisees stations, serving daily a base of 9,5 million active customers, through its Corporate Countries and the Group's different brands to better meet their personal and business travel needs. This year, the Group's customers worldwide traveled more than 9,4 billion kilometers, thanks to a fleet averaging more than 334,000 vehicles (including Fox Rent A Car and Urban Mobility), primarily held under buy-back lease agreements with 18 renowned automakers (see 1.6.6-"the Group's Fleet"). A total of around 86% of vehicles held have contracts with buy-back commitments from the manufacturers.

In 2019, the Group's vehicle rental operations and its various mobility services generated revenue at €3,022m generated mainly by its four Business Units: Cars (71%), Low Cost (14%), Vans & Trucks (12%) and Urban Mobility (2%) supported by its international coverage team.

4.1.2 "Commit Together", the Corporate Social Responsibility program that supports the Group's Mission and Purpose as well as its Strategy

In 2017, our Group initiated a structured Corporate Social Responsibility approach with the "Commit Together" program in order to share its commitments with all its stakeholders.

This program, which was approved by the Group's governance bodies, followed the consultation and an analysis of the CSR expectations of its principal stakeholders (employees, suppliers, customers, investors and franchisees) as well as an analysis of the related impacts, risks and opportunities.

"Commit Together" was revised in 2018 to bring it completely in line with the Group's Mission and Purpose:

- to offer attractive alternative solutions to vehicle ownership, sustainably and responsibly;
- by delivering a mobility experience open to everyone. Accessibility is the key: mobility must be inclusive, not exclusive;
- by taking part in the search for solutions for a low-carbon world.

The heart of our Group's DNA – through its historical business – is the desire to responsibly promote mobility for all. With "Commit Together", we are committing to a progress-oriented process by setting goals, making commitments and involving our employees in this momentum.

The objectives and commitments of the "Commit Together" program are integrated in the indicators of the Corporate Countries, with strong involvement by executives in directing the actions.

By focusing on four main priorities, the "Commit Together" program supports Group's Mission and Purpose, as well as its strategy.

Make mobility accessible

Mobility is a lever for social inclusion and in this sense, we consider access to mobility as a key factor. This is why Europcar Mobility Group offers a range of varied offers, aimed at covering all customer needs, whatever their budget.

The Group's efforts in terms of access to mobility also focus on people with reduced mobility, people in precarious employment and young people from disadvantaged backgrounds.

Highlights 2019

- In France, our Group has signed a two-year partnership with Wheeliz, a start-up company which, via its platform, offers rental between individuals of adapted vehicles to facilitate mobility for people with reduced mobility.
- Our Innovation team, part of the Group's Strategy Office, conducted an in-depth research to gather best practices and identify market opportunities in the inclusive mobility area, with a view to deploying an offer(s) and/or partnerships.

Act for the environment

By the very nature of its activities, our Group wants to be part of the solution towards a low carbon world, by offering alternatives to owning an individual vehicle and thus contributing to reducing the number of cars on the roads and in cities.

Furthermore, our fleet will embark more and more electric, hybrid and GNV motorizations in the coming years. Through the "ONE sustainable fleet" programme, we are aiming for 20% of our fleet to be low carbon emission vehicles by 2023. Finally, acting on the environment means acting with our customers: we therefore seek to involve them in our approach through eco-driving awareness programs.

Highlights 2019

- The Group has given concrete expression to its climate ambition through its commitment to the Science-Based Targets initiative, which will enable it to define its greenhouse gas (GHG) emissions reduction target and its carbon trajectory.
- In Spain, the Group deployed a pilot project to raise customer awareness of eco-driving using its connected fleet in Mallorca.

Be a responsible employer

We live an exciting age of Mobility, where new usages and increasing mobility needs create job opportunities and require new skills.

In this context, Europcar Mobility Group's success is intimately bound to employees' commitment, diversity and development: these are the 3 pillars on which our Group focuses its efforts.

Highlights 2019

- Launch of the Group's women network: WoMob (Women in Mobility), focusing on gender balance, women's empowerment, women's contribution to social progress and business development.
- Success of the 2nd employee shareholding plan, with now 2.77% of the Group's capital held by its employees (12/31/2019).

Share our business ethics

We are proud of our values and committed to enforce our business ethics on a day-to-day basis. In that perspective, we want to build confidence with our customers by offering them transparent services and by improving their satisfaction all through the customer journey, thanks to dedicated programs (e.g. NPS 110).

We also want to involve all our stakeholders in the objectives and commitments we have gathered in our Code of Ethics. This ambition is reflected in the implementation of policies and the regular deployment of awareness-raising campaigns.

Highlights 2019

- Customer satisfaction: Net Promoter Score of 58 for the Europcar brand [(1)], and extension of the NPS 110 program to the other core brands of the Group.
- Implementation of a change program at Goldcar, led by the top management team of the Low Cost Business Unit and supported by the Group functions: to improve the transparency of the service and hence customer satisfaction and trust.

(1) Net Promoter Score for the Europcar brand is monitored historically as a key performance indicator. The Group's Net Promoter Score continued to trend up in 2019 to 49.62% (see Chapter 5, page 361).

In 2019, our CSR achievements allowed the Group to improve its non-financial performance.

ESG ratings in 2019

	Scores	2019 rankings
MSCI ESG RATINGS (1)	AA Scoring scale from CCC to AAA	Progress from **A** to **AA** "Leader" status
vigeoeiris	46/100 Scoring scale on 100	Progress from **29** to **46** **5th out of 22 companies in the sector**
CDP (2)	B Scoring scale from D- to A	Progress from **C to B (« Management » level)**, higher performance compared to sectorial average
Ethics & Boards	24 Scoring scale on 119	In **Top 30** of the most French feminized companies' prize list
SUSTAINALYTICS (3)	17,4 Scoring scale from 40+ to 0 (reverse scale from 0 = negligible risk to 100 = severe risk)	Progress from **19.7** to **17.4** with a better ESG risk management within the Group **12th out of 320** companies in the sector
ecovadis	64 Scoring scale on 100	**+ 10 points** compared to 2018 "Silver" medal
ISS ESG	C Scoring scale from D- to A+	**Stable score** compared to 2018 "Medium" level
Gaïa	79 Scoring scale on 100	**+9 points** compared to 2018 **34th out of 230** companies of Gaïa index (all sectors, France)

(1) MSCI ESG rating adopts a corporate rating scale from "AAA to CCC" according to their exposure to ESG risks and the way in which these risks are managed; and this relatively compared to their peers. Europcar Mobility Group's rating is AA, which corresponds to the status of "leader".

(2) CDP is the most important environmental reporting platform dedicated to companies and cities. The rating scale from D- to A allows these actors to measure and manage their environmental impacts. B is the "management" level, which means that the Europcar Mobility Group implements ongoing actions on climate issues.

(3) Sustainalytics measures the capacity of companies to proactively manage the risks relating to environmental, social and governance issues related to their activities. Based on a structured, objective and transparent methodology, it provides an assessment on companies' ability to mitigate risks and capitalize on opportunities.

The rating scale is inverted ranging from 0 = negligible risk to 100 = severe risk. The Group is rated 17.4 corresponding to a low risk ("low risk") of suffering significant financial impacts linked to ESG factors. This is due to his exposure deemed low and his mastery of the most significant ESG issues for the Company.

The origin of the Europcar Mobility Group's commitment to CSR

In 2005, the Group was the first operator in the vehicle rental sector to adhere to the principles of the United Nations Global Compact.

Since then, every year the Group has reaffirmed its commitment to respect all 10 principles, inspired by the Universal Declaration of Human Rights, the ILO Declaration, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption, and to contribute to the achievement of the 17 United Nations Sustainable Development Goals (SDG).

Specifically, the Group has committed to help achieve the following goals where it believes it can take relevant action:

SDG 4: by providing access to quality training for our employees.

SDG 5: by human resources management including, in particular, initiatives to promote diversity and combat all forms of discrimination. This is illustrated notably by the launch and management of an internal think-tank to address related issues at Group level and via a network of local correspondents in the Corporate Countries.

SDG 6: by adopting a responsible management of its resources, notably in stations where water recovery systems are installed to avoid pollution from wash waters. Existing approaches are integrated into environmental management systems within the framework of ISO 14 001 certification in 8 of our Corporate Countries.

SDG 8: by ensuring the well-being of its employees through the promotion of a social dialogue, particularly through collective agreements on working conditions and/or quality of life at work. In addition, the Group also integrates these issues into its human resources policy, which aims to offer its employees a career path. With a strong local presence, the Group reaffirms its position as a local employer, notably by adding seasonal employees to its station workforce to ensure the effective running of the peak season.

SDG 10: by human resources management including, in particular, initiatives to promote diversity and combat all forms of discrimination (age, sex, disability, origin etc.). Embedded in Group's Purpose, mobility is a lever for social inclusion and, in this sense, we believe access to mobility is a key factor to ensure equal opportunities and reduce inequalities. This is why Europcar Mobility Group proposes a wide range of offers designed to cover the needs of all customers, regardless of their budget. A concrete example, in France, our Group signed a two-year partnership with Wheeliz, a start-up that offers, peer-to-peer rentals of adaptive vehicles to encourage the mobility of persons with reduced mobility.

SDG 11: by promoting its sustainable mobility services such as car-sharing and scooter-sharing, that offer an alternative to individual car ownership. This will contribute to reduce the number of cars on the roads and in our cities.

SDG 13: through the implementation of a low-carbon strategy aimed to:

1) Provide its customers with a recent and "CO_2 light" fleet
2) Develop electric, hybrid and NGV vehicles in its fleet
3) Promote its existing sustainable mobility services such as car-sharing and scooter-sharing that offer an alternative to individual car ownership
4) Raise awareness on eco-driving amongst its customers

SDG 17: by integrating the CSR ecosystem made up of partners, NGOs and start-ups that enrich the Group's CSR program with pilot initiatives aiming at implementing the best global solution.

COMMIT TOGETHER PROGRAM 'S CONTRIBUTION TO SDGs (United Nations Sustainable Development Goals)

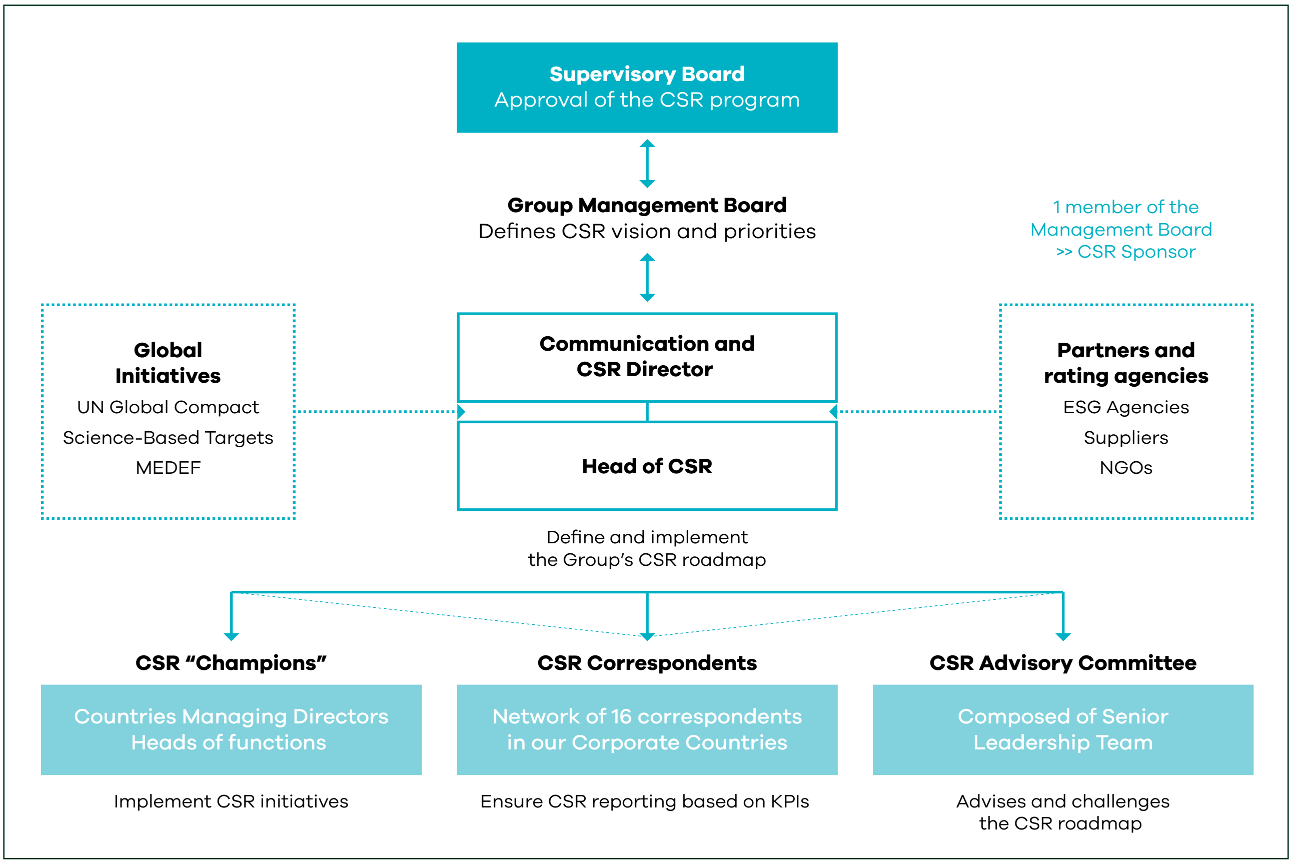
"Commit Together" Program	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	8 DECENT WORK AND ECONOMIC GROWTH	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	13 CLIMATE ACTION	17 PARTNERSHIPS FOR THE GOALS
Make mobility accessible								
Offer a broad variety of mobility solutions that are alternatives to individual car ownership					■	■	■	
Develop attractive offers with the best quality and safety standards								
Ensure the accessibility of our offers regardless of our customers' needs or budget					■			■
Target a high level of customer satisfaction								
Be a responsible employer								
Management of human resources		■		■				
Labor policy to promote dialogue		■		■				
Make diversity an accelerator of the Group's transformation		■						
Develop employee commitment ("Values" program)								
Involve employees in the Company's performance through employee shareholding								
Attract talents, develop them and support employees career paths	■			■				
Act for the environment								
The Group's actions for environmental responsibility			■			■	■	■
Propose and promote sustainable mobility offers and increase the awareness of our customers throughout their journey					■	■	■	■
Develop responsible resource management			■				■	
Share our business ethics								
Target a high level of customer satisfaction								
Responsible purchasing policy							■	
Duty of care				■				
Combat corruption				■				
Promote business ethics				■				

4.1.3 CSR organization and governance

Since its creation in 2017, the deployment of the "Commit Together" program has relied on a dedicated organization that allows it to define the priorities of the program and manage its implementation.

The Group also maintains a high standard in the compliance of the non-financial data reported, relying on a network of local CSR correspondents and contributor for the preparation and reliability of its annual CSR reporting, designed with the dual objective of compliance and operational direction, in accordance with the requirement related to non-financial performance statement (French law 2018-898).

In 2019, the CSR governance of the Group was reviewed and is now organized as follows:



At December 31, 2019, the Group's CSR governance was structured around:

- decision-making bodies:
  - the **Supervisory Board** which approves the CSR program. Once a year, a report on the CSR policy is placed on the agenda of the Supervisory Board at the time of approval of the management report. In 2019, this focus was conducted on February 20,
  - the **Group Management Board**, which defines the CSR vision and priorities. One of the members of the Management Board is the CSR Sponsor;
- operational entities:
  - the **CSR team**, which comprises the Group Communications and CSR Director and the Group Head of CSR, who are responsible for defining and implementing the Group CSR roadmap.
  - this team is backed by:
    1) its "**Champions**" : composed of Corporate Country Directors and operational managers. Together, they implement the CSR initiatives;
    2) its **network of CSR correspondents**: composed of 16 members from the Group's Corporate Countries. Their role is to prepare the CSR reporting on the basis of key performance indicators (KPIs);
    3) the **Advisory Committee** dedicated to CSR composed of certain members of the management team. Its goal is to enrich the CSR strategy with the business expertise of each member;
- finally, the Group's CSR action is conducted within a larger context governed by its stakeholders:
  1) the international organizations in which the Group is engaged: UN Global Compact, Science-Based Targets, MEDEF, etc.
  2) other partners such as non-financial ratings agencies, suppliers, NGOs, etc.

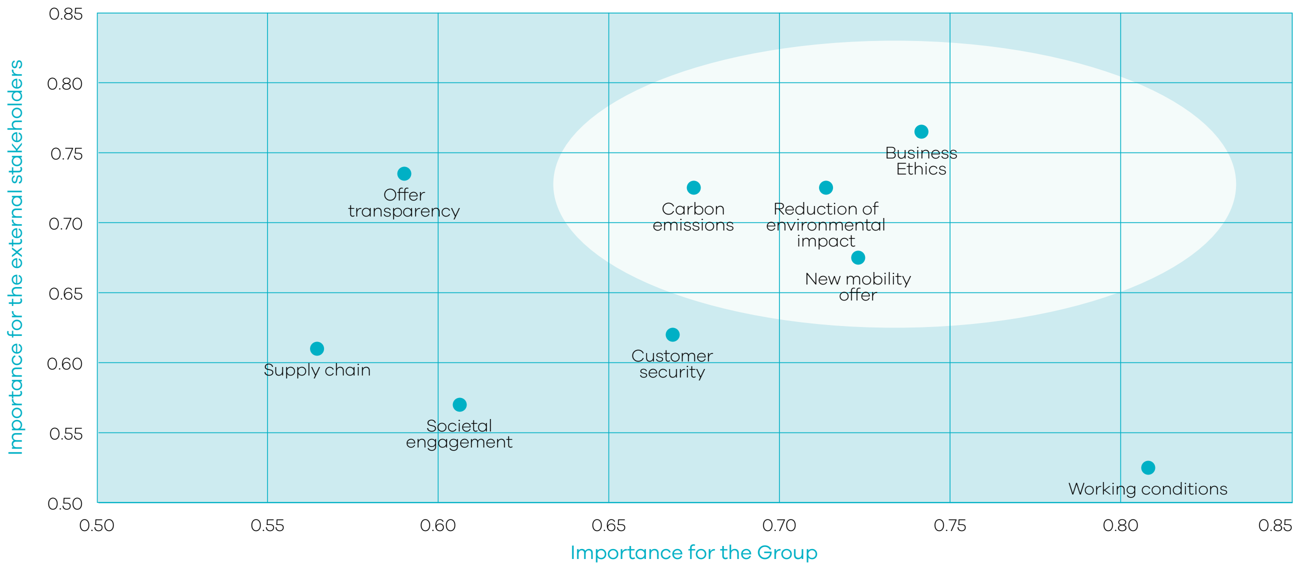
4.2 MAIN GROUP NON-FINANCIAL RISKS AND CHALLENGES

The Group conducted its annual update of the map of its principal non-financial risks and challenges in line with the legal provisions governing the non-financial performance statement (law No. 2018-898), combating corruption (Sapin 2 – law No. 2016-1691), the duty of care (law No. 2017-399) and the United Nations Sustainable Development Goals.

To do this, a benchmark library of non-financial risks (questionnaires from ratings agencies, ISO certifications, etc.) was compiled in the first phase and then refined in order to keep only the risks that might apply to the activities of Europcar Mobility Group. The Group then followed a methodology similar to the one used in the identification of "Group risks factors" in order to identify the Group's non-financial risks and challenges.

The mapping presented below follows the materiality study conducted in late 2016 with 4,500 employees and key suppliers that served as the basis of the "Commit Together" program, by developing the main expectations of the Group's stakeholders for Corporate Social Responsibility.

4.2.1 Materiality study: principal stakeholders' expectations



4.2.2 Principal non-financial risks

The identification and classification of non-financial risks was carried out by Group departments concerned with environmental, social, Human Rights and corruption aspects.

- A third party assisted the Group to ensure an objective and rigorous listing of its non-financial risks. This list was organized according to two business criteria that are also used in the classification of "Group risk factors" :
  1) frequency of risk corresponds to the probability of occurrence of the risk or opportunity in a defined time scale;
  2) the severity of the risk for Europcar Mobility Group activities corresponds to the impact of the risk in terms of image, business, regulation or financial exposure.
- After this classification exercise, six risks and two opportunities were considered "principal". They are detailed in the table below, as well as policies and measures linked.

For each of these risks and opportunities, **Europcar Mobility Group has defined a set of related policies, actions and performance indicators** to track the progress achieved. **These indicators are marked** throughout this Chapter by the following symbol ★. They are grouped within the same "Commit Together" program cited above and described in greater detail in the following sections. (sections 4.3 and seq.,). A cross-reference table is set forth in Section 4.7 of this Chapter.

Environment

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
Climate change and emissions into the air ◆ ● 30% of global greenhouse gas emissions are related to the transport industry, which is also the second highest energy-intensive industry. While the mobility sector accounts for only part of these emissions, massive urbanization and the increasing number of people traveling have contributed to the increased footprint in recent years. • Europcar Mobility Group activity may contribute, individually and like all the market's players, to increasing the overall level of emissions. This reality may present, on the first hand, a regulatory risk in case of a quick evolution of the law, especially on thermic vehicles; and on another hand a reputational risk linked to this impact. Considering its historical activity, the Group also sees this as an improvement opportunity by promoting the sharing economy. To do so, the Group makes a varied range of mobility solutions available to its customers as well as recent vehicles as alternatives to car ownership.	**Part of the CSR program "Commit Together" – Make mobility accessible** Propose and promote sustainable mobility offers and increase the awareness of our customers throughout their journey	Greenhouse gas emissions ★	Scope1 26,249 Scope 2: 8,510 Scope 3 1,912,332	Scope1: 20,521 Scope 2 9,433 Scope 3 1,824,538	☺
		Average emissions of CO_2/km from vehicles *(g/vehicle)* ★	124g	125g	☹
		Proportion of operational subsidiaries that have initiated ISO 14001 certification ★	9 Corporate Countries	8 Corporate Countries	☹
		Average age of the vehicles placed on the market (months) ★	10.2 months	9.7 months	☺
		Proportion of hybrid and electric vehicles purchased during the year ★	1%	2%	☺
		Number of kilometers covered by hybrid and electric vehicles during the year ★	52 millions (i.e. <1% of kms traveled)	84 millions (i.e. <1% of kms traveled)	☺

◆ Risks ● Opportunities

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
Environmental footprint and regulatory compliance ◆ Europcar Mobility Group's carbon footprint is divided between its direct activities (administration, transporting the fleet, preparing and cleaning vehicles in-house, etc.), its subcontractors (repair, preparation and cleaning of vehicles by service providers, etc.) and its customers (vehicle use, fuel consumption, etc.) • To address the successive increases in Group scope and the rapid developments of the legal and regulatory framework within which it operates, it is imperative for the Group to design a dynamic environmental policy geared to create the lowest possible impact on the environment.	**Part of the CSR program "Commit Together" – Act for the environment** • The Group's actions for environmental responsibility • Develop responsible resource management	Proportion of vehicles washed without water or movement % ★	10%	26%	☺

◆ Risks

Social

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
Human Resources and talent management ◆ The Group's performance is based on its ability to attract and retain highly competent and qualified employees with specialized skills. • Talent management and attraction are apprehended as key performance factors by Europcar Mobility Group to always offer more innovative mobility solutions and a constant high level of service for its clients wherever the Group operates. And, this in order to pursue of its activity.	**Part of the CSR program "Commit Together" – Be a responsible employer** • Involve employees in the Company's performance through employee shareholding • Attract talent, develop it and support employee career paths	Frequency rate of work-related accidents ★	15.6	17.86	☹
		Total workforce and breakdown of M/F employees ★	9,211	10,434	☺
		Hires and departures ★	4,724 4,967	4,479 4,413	☺
		Compensation and change in compensation *(million euros)* ★	382	401	☺
		Percentage of employees trained *(%)* ★	76%	76%	😐
		Portion of capital held by employees ★	1.32%	2.77%	☺

◆ Risks

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
Corporate culture and buy-in of the Group's strategy ◆ In a rapidly changing market context, the Group's strategy is based on its ability to expand further into regions where it has little experience and to seize opportunities in new mobility segments. • Transformations related to the Group's strategy and the harmonization of internal control procedures may be a source of difficulties, as well as a decline in employee commitment and buy-in.	**Part of the CSR program "Commit Together" – Be a responsible employer** • Management of human resources • A labor policy to promote dialogue • Make diversity an accelerator of the Group's transformation • Develop employee engagement ("Values" program)	Proportion of employees represented by the European Works Council ★	56%	60%	☺

Human Rights and fundamental freedoms

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
Suppliers and supply chain ◆ Given the nature of its business, Europcar Mobility Group makes the vast majority of its non-fleet purchases in the geographical regions where it operates (transporting the fleet, car washing, maintenance, etc.). • Changes in regulations relating to business relationships and in particular the duty of care require that the Group put in place the necessary actions and mechanisms to prevent any breach of ethical rules within its supply chain.	**Part of the CSR program "Commit Together" – Share our business ethics** • Responsible purchasing policy • Duty of care	Proportion of suppliers audited including CSR issues ★	<1%	0%	☹

◆ Risks

Corruption

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
Combating corruption and fraud ◆ The Group's business, present (directly or via franchises, agents or partnerships) in over 140 countries and territories worldwide, is subject to many local, national and international laws and regulations, including on combating corruption and fraud. • The Group keeps track of and monitors the regulations to which its activities in France or abroad are subject. However, changes in legislative, regulatory and judicial decisions or in other applicable standards and, more generally, changes in decision-making arrangements by the competent authorities could render it liable.	**Part of the CSR program "Commit Together" – Share our business ethics** • Promote business ethics • Combat corruption	Number of employees sensitized/trained on combating corruption and fraud ★	Not available	Not available	/

◆ Risks

Societal

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
New customer usages expectations ● Facing massive urbanization, the increase in individual travel and new mobility policies, in particular in towns and cities, customer needs are changing and new practices are developing. • Europcar Mobility Group is able to offer a variety of mobility solutions and maintain a high level of service in order to cater to the new usages and travel needs of its customers.	**Part of the CSR program "Commit Together" – Make mobility accessible and Share our business ethics** Group initiatives making mobility accessible: • Offer a broad variety of mobility solutions that are alternatives to individual car ownership • Develop attractive offers with the best quality and safety standards • Ensure the accessibility of our offers regardless of our customers' needs or budget • Target a high level of customer satisfaction	Catalogue of marketing offers ★			
		Catalogue of mobility solutions ★			
		Net Promoter Score (NPS) ★	56.4%	58.0% (1)	☺

● Opportunities

(1) Net Promoter Score for the Europcar brand is monitored historically as a key performance indicator. The Group's Net Promoter Score continued to trend up in 2019 to 49.62% (see Chapter 5, page 361).

4.3 MAKE MOBILITY ACCESSIBLE

4.3.1 List of risks and opportunities identified

Societal

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
New customer usages expectations ● Facing massive urbanization, the increase in individual travel and new mobility policies, in particular in towns and cities, customer needs are changing and new practices are developing. • Europcar Mobility Group is able to offer a variety of mobility solutions and maintain a high level of service in order to cater to the new usages and travel needs of its customers.	**Part of the CSR program "Commit Together" – Make mobility accessible and Share our business ethics** Group initiatives making mobility accessible: • Offer a broad variety of mobility solutions that are alternatives to individual car ownership • Develop attractive offers with the best quality and safety standards • Ensure the accessibility of our offers regardless of our customers' needs or budget • Target a high level of customer satisfaction	Catalogue of marketing offers ★			
		Catalogue of mobility solutions ★			
		Net Promoter Score (NPS) ★	56.4%	58.0% (1)	☺

● Opportunities

The policies implemented to control and mitigate risks and seize opportunities are mentioned in blue in the table above and presented in more detail in the following sections.

(1) Net Promoter Score for the Europcar brand is monitored historically as a key performance indicator. The Group's Net Promoter Score continued to trend up in 2019 to 49.62% (see Chapter 5, page 361).

4.3.2 The Group's convictions on accessible mobility

MAKE MOBILITY ACCESSIBLE

With over 9.4 billion kilometers travelled by its customers every year, Europcar Mobility Group is one of the world's major mobility players and is aware of its role in promoting accessible mobility for everyone.

The Group is convinced that mobility must be inclusive and not be a source of exclusion. Mobility can be a lever for social inclusion and access to it is essential for everyone. This is why the Group is working to develop services and programs that simplify mobility to give individuals and groups of people better access to the new mobility possibilities. With this in mind, the Group wishes to focus its efforts on people with reduced mobility, cost-sensitive customers and the most disadvantaged young people.

4.3.3 Group actions in accessible mobility

4.3.3.1 Offer a broad variety of mobility solutions that are alternatives to individual car ownership

The Group has made a commitment to offer a broad selection of mobility solutions, whatever the duration (rental by the hour or day with car-sharing services, rental for a few days or a few weeks with its traditional rental services, as well as driver services for a few minutes, a few hours, etc.) that respond to a large variety of mobility uses and needs.

In particular, the Group has placed "urban mobilities" at the heart of its strategy, taking into account the exponential growth of cities over the next twenty years, and the corresponding increase in mobility needs.

To meet this challenge, the Group has significantly invested in car-sharing solutions through acquisitions: solutions that it now offers to its customers via the brands Ubeeqo (European leader in closed-loop car-sharing in BtoB and BtoC), GoCar (the car-sharing leader in Ireland), Scooty (electric scooter-sharing in Belgium), E-Car (electric car-sharing in the United Kingdom).

A diverse offer of mobility solutions ★

Mobility solution	Trademarks
Traditional rental of cars and light commercial vehicles	**Europcar** – European leader for Car and LCV rental
	Goldcar – European leader in the low cost leisure market in Europe
	InterRent – Car rental in Europe, leisure segment and mid-tier market.
	Buchbinder – is one of the most important players in Car and LCV rental in Germany.
	Fox Rent A Car – is one of the main players in the car rental market in the US, with an attractive value for money price positioning.
Closed-loop car-sharing (BtoB and BtoC)	**Ubeeqo** – is the Group's flag brand in roundtrip carsharing, for businesses and individuals
	GoCar – is Ireland's first car sharing company
	E-Car-Club – Car sharing of electric vehicles in the United Kingdom.
Scooter-sharing	**Scooty** – Scooter-sharing of electric scooters in Belgium.
Driver services	**Brunel** – Specialist of private B2B chauffeur services in the United Kingdom.
Multimodal platform	**Wanderio** – a multi-modal platform for search and comparing transport solutions

4.3.3.2 Develop attractive offers with the highest standards of quality and safety

The Group considers itself as one of the largest purchasers of European vehicles and the largest in the European vehicle rental industry. During the year ended December 31, 2019, the Group took delivery of approximately 383,000 vehicles and operated an average rental fleet of 334,000 passenger and light commercial vehicles (including Fox Rent A Car and Urban Mobility). The breakdown between passenger vehicles and light commercial vehicles was the following in fiscal 2019: 87% passenger vehicles and 13% light commercial vehicles.

For the year ended December 31, 2019, the approximate average vehicle holding period by Europcar Mobility Group was 9.7 months (8.3 months only for vehicles covered by buyback or rental agreements). Nearly 86% were covered by contracts that stipulate a buyback clause at the end of the predefined period, most often less than 12 months ("buy-back") contracts. This allows Europcar Mobility Group to offer for rental a fleet of recent vehicles with all the latest safety standards and the latest technologies in equipment.

In addition, the Group undertakes with carmakers to comply with all maintenance specifications required under the buy-back clauses. The vehicles are therefore subject to many specific written procedures that are posted in the preparation sites to ensure regular maintenance in accordance with the carmakers' standards.

Thanks to its vehicle buy-back model and dynamic fleet management, Europcar Mobility Group is committed, across all its brands, to provide a recent fleet and a wide range of vehicles (economic, compact, trucks, premium, vans, etc.) to its customers to meet the expectations of as many people as possible.

Before any new rental, vehicles are inspected and verified by teams trained in-house to the Group's own standards and checkpoints (tire pressure, liquid levels, indicators and lights, etc.). If vehicles fail and need repairs, minor adjustments are carried out on-site, and more serious repairs are completed by approved independent firms. Through its "Clean & Safe car" program, the Europcar brand in Belgium certifies that each vehicle prepared for rental has been checked on 22 mandatory points.

Finally, each vehicle has essential safety equipment (high-visibility vest, reflector triangle, etc.) and additional equipment may be rented in the agency (child seats, snow chains, snow tires, etc.) to give customers an optimal level of safety and comfort behind the wheel, in compliance with local regulations.

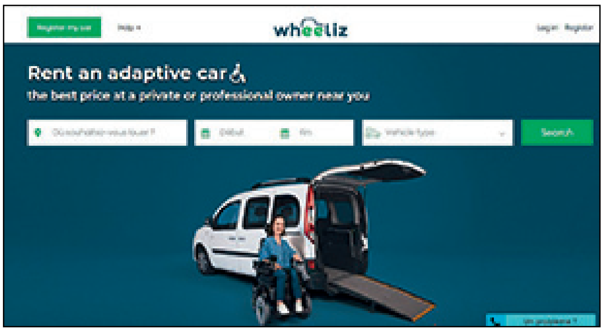
If a vehicle has an accident or breakdown while rented out, the Group makes a 24/7 assistance service and constantly looks for the best solutions to ensure that its customers are taken care of efficiently.

4.3.3.3 Ensure the accessibility of our offers, regardless of our customer's needs or budget ★

Over and above the diversification of its products and a broad range of vehicles, Europcar Mobility Group is keen to provide innovative offers and accessible to all customer categories, whatever their needs and budgets.

Customers concerned	Offer details
Students	In France and Germany, Europcar has offers dedicated to students, with cheap rates for touring vehicle and van rental, designed to help students with their frequent home moves.
	The Europcar offers rental of scooters and bikes in some countries.
Families	Europcar (in Spain and Italy) has developed a family rental offer which comes with a specially tailored package (insurance, baby seats, additional driver, GPS, and other features).
People with reduced mobility	In Portugal, Ireland, Germany, the United Kingdom and Australia, Europcar offers special vehicles or vehicles with manual gears on the steering wheel for people with reduced mobility.
	In 2019, Europcar Mobility Group France signed a partnership with Wheeliz, a peer-to-peer adaptive car rental platform for people with reduced mobility.
	In 2019, exploratory work was also initiated on the topic of inclusive mobility by the Group Strategy and Innovation Office in collaboration with the CSR team. The first deliverable from this exploratory work gathered best practices and market opportunities in order to deploy one or more offers for persons with reduced mobility.
Cost-sensitive customers	Since its acquisition in 2017, the Group has offered low-cost car rentals via its Goldcar brand, the leading European low-cost rental company.
	In 2019, the Group acquired the American brand Fox Rent A Car which enhanced its offer with a "value-for-money" positioning.
	The Group also proposed a "mid-tier" rental offer carried by the InterRent brand in most of the European countries, allowing budget-conscious customers to have a mid-level rental price with a portion of services offered "à la carte".

Wheeliz, the new partnership of Europcar Mobility Group France, a solution designed for persons with reduced mobility



In an effort to offer solidarity and inclusive mobility, particularly to the most vulnerable groups, Europcar Mobility Group France expanded its service offer in 2019 with the rental of adaptive vehicles via the Wheeliz platform.

Wheeliz is a French start-up founded in 2015 that offers to those with reduced mobility peer-to-peer rental of adaptive vehicles.

This partnership between Wheeliz and Europcar Mobility Group France consists on a reciprocal exchange of visibility; the brand commercial site europcar.fr promotes the Wheeliz offer by ensuring permanent visibility for this partnership on its home page and under the "services" heading. This sends the viewer to the Wheeliz website with a few clicks. Wheeliz offers permanent visibility of this partnership on its commercial site by proposing in the user personal space an offering that sends users to the site of the Europcar brand.

Through this partnership, Europcar Mobility Group wants to diversify its fleet by offering various services and be part of a solidarity approach by offering mobility for all.

"A helping hand to caregivers" was also implemented. This promotional offer gives a preferential rate of 15% to Wheeliz users who want to reserve a non-adaptive vehicle. This offer is available in the Wheeliz user interface.

4.4 BE A RESPONSIBLE EMPLOYER [1]

4.4.1 List of risks and opportunities identified

Social

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
Human Resources and talent management ◆ The Group's performance is based on its ability to attract and retain highly competent and qualified employees with specialized skills. • Talent management and attraction are apprehended as key performance factors by Europcar Mobility Group to always offer more innovative mobility solutions and a constant high level of service for its clients wherever the Group operates. And, this in order to pursue of its activity.	**Part of the CSR program "Commit Together" – Be a responsible employer** • Involve employees in the Company's performance through employee shareholding • Attract talent, develop it and support employee career paths	Frequency rate of work-related accidents *	15.6	17.86	☹
		Total workforce and breakdown of M/F employees *	9,211	10,434	☺
		Hires and departures *	4,724 4,967	4,479 4,413	☺
		Compensation and change in compensation *(million euros)* *	382	401	☺
		Percentage of employees trained *(%)* *	76%	76%	😐
		Portion of capital held by employees *	1.32%	2.77%	☺
Corporate culture and buy-in of the Group's strategy ◆ In a rapidly changing market context, the Group's strategy is based on its ability to expand further into regions where it has little experience and to seize opportunities in new mobility segments. • Transformations related to the Group's strategy and the harmonization of internal control procedures may be a source of difficulties, as well as a decline in employee commitment and buy-in.	**Part of the CSR program "Commit Together" – Be a responsible employer** • Management of human resources • A labor policy to promote dialogue • Make diversity an accelerator of the Group's transformation • Develop employee engagement ("Values" program)	Proportion of employees represented by the European Works Council *	56%	60%	☺

◆ Risks

The policies implemented to control and mitigate risks and seize opportunities are mentioned in blue in the table above and presented in more detail in the following sections.

(1) Throughout this Section, one asterisk (*) means that the data refer to permanent employees only; two asterisks (**) mean that the data refer to permanent and non-permanent employees.

4.4.2 the Group's convictions on managing human resources and the "employer brand".

BE A RESPONSIBLE EMPLOYER

Europcar Mobility Group operates in a rapidly changing mobility sector, where new uses and needs will create new job opportunities and require the development of new skills. In this context, the Group's success is closely linked to the commitment, diversity and personal development of its employees.

These three challenges are where Europcar Mobility Group focuses its employer branding efforts. They are at the core of its human resources policies and programs for all its employees worldwide.

In addition, the Group wants to encourage the emergence of new businesses and new services that will create career opportunities for the future within the Group. Through new partnerships and new collaborations, Europcar Mobility Group intends to act in the coming years in favor of economic development and social progress.

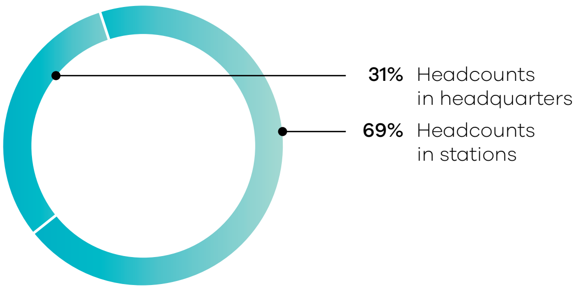
4.4.3 The Group's actions in managing human resources and the "employer brand"

4.4.3.1 Managing human resources

Group locations and distribution of employees

Europcar Mobility Group is present in 20 countries over its direct scope of consolidation with over 1,900 direct stations or franchisee-operated stations at December 31, 2019. This presence means that it can have broad coverage of all commercial and tourist areas where it operates. Located mainly in railway stations, airports and major urban centers, Europcar Mobility Group's workforce is primarily concentrated in stations (accounting for approximately two-thirds of its workforce).

WORKFORCE DISTRIBUTION HEADQUARTERS/RENTAL STATIONS** (Workforce at 31-Dec-19)



Employees of the Holding companies and the Shared Services Center have been included in the corporate employees.

Dynamic workforce management

The Group must continuously juggle two major challenges in managing its workforce. First, it has to deal with the annual and weekly (working week versus weekend) seasonality of its business, which results in significant variation in its activity and accordingly requires optimal management of its teams to provide a high standard of service. Second, the Group must provide good coverage of the regions in which it operates, which requires that it have a substantial workforce in its network of stations.

DISTRIBUTION OF WORKFORCE BY COUNTRY** (Workforce at 31-Dec-19)

(Coverage rate: 87-100%)	2019	
TOTAL	**10,434**	**100%**
Europcar Mobility Group	358	3%
Shared Service Center	373	4%
Germany	1,349	13%
France	1,330	13%
Goldcar	1,353	13%
Buchbinder	1,422	14%
United Kingdom	1,063	10%
Spain	672	6%
Australia	523	5%
Italy	438	4%
Denmark	363	3%
Portugal	356	3%
Ireland	336	3%
Ubeeqo	313	3%
Belgium	105	1%
New Zealand	66	<1%
Luxembourg	14	<1%

At December 31, 2019, 2,057 employees held the status of "Manager", representing 26% of permanent employees divided between the corporate offices and the station networks (Excluding Buchbinder and Ubeeqo).

WORKFORCE DISTRIBUTION MANAGERS/NON-MANAGERS*
(Workforce at 31-Dec-19)

(Coverage rate: 80%)	**2019**	
Managers	2,057	26%
Non-managers	5,872	74%

Working time organization

To ensure high quality standards of service irrespective of the intensity of the period, and to cover the full schedule to meet our customers' needs at the stations, Europcar Mobility Group uses a variety of employment contracts (open-ended, fixed-term, seasonal, etc.) and different numbers of working hours per week (part- or full-time). Work in the Group is therefore organized depending on the local context and business needs of the Corporate Countries, but always complies with local regulations and obligations and the International Labor Organization Conventions. At December 31, 2019, the 10,434 employees consisted of 90% permanent (fixed-term or similar contracts) and 10% non-permanents (open-ended or similar contracts).

The Group also wants to encourage new forms of working time organization wherever possible to make the work more flexible and improve the quality of working life for its employees. To do this, Europcar Mobility Group is progressively establishing telecommuting arrangements for employees based at its corporate offices.

These arrangements have already been introduced within the Group Holding, in Germany, Spain and Belgium, at Ubeeqo and in Italy via its dedicated "Smart Working" program. An agreement on home office was signed in 2019 for the head offices in France.

ORGANIZATION OF WORK: KEY FIGURES

(Coverage rate: 84-86%)	**2019**
Proportion of permanent part-time employees*	11%
Overtime during the year (in hours)**	397,250

To manage the seasonality of its business, the Group uses fixed-term or seasonal contracts. This implies a certain correlation between the fluctuation in its workforce and the fluctuation in its fleet over the year. In 2019, the seasonal workforce represented around 1,997 full-time equivalent employees, primarily based in the United Kingdom and Germany.

A labor policy to promote dialogue

Europcar Mobility Group has based its labor policy on four issues that the Group considers a priority and wishes to improve wherever it is present: employee relations, health and safety at work, skills and talent development and well-being at work.

Operating in 18 European countries as well as Australia and New Zealand through its brand portfolio, the Group must comply with many and diverse local labor laws, often more stringent than the directives of the International Labor Organization which it applies, the principles of which were reaffirmed by the publication of the Group's "Code of Ethics & Commitments" in late 2016.

This year, aside from a few individual cases, the Group has not been penalized for breaches of labor laws in any of the countries where it operates.

LABOR RELATIONS AND COLLECTIVE BARGAINING

Labor relations at Europcar Mobility Group are maintained by constant dialogue between management teams, employees and employee representative bodies. The Group seeks to promote close relations between managers and their teams to ensure a calm and constructive climate at work.

In every country that has a legal framework for employee relations, Europcar Mobility Group complies with local law and regulations. Examples are Germany, France, Spain, Italy, Belgium and Denmark, where relations are organized around employee representative bodies or works councils.

Labor relation regarding transnational projects is ensured by a European Works Council (EWC). Only countries with a certain number of employees can have one or more representatives.

At December 31, 2019, 9 countries[(1)], corresponding at 60% of Group employees were represented by such bodies.

The goal of Europcar Mobility Group is reflected in a robust strategy supported by defining programs and adapted in all European countries, in particular. The development of a common strategy, with a coordinated deployment, also implies a social and cultural goal for the Group. In this context, the development of European labor dialogue is integral to the Group's overall ambition to expand its European dimension.

The Group and the employee representatives wish to encourage communication, particularly through information and consultation on transnational issues. The objective is to strengthen the unity of Europcar Mobility Group and the development of quality social dialogue at the European level on strategic issues and the Group's prospects.

Thus, Group management and employee representatives renewed the European Works Council in 2019 to ensure effective sharing of information and consultation of the European employees.

In this respect, it should be noted that this ambition is ingrained in the Group culture, which has always given special place to information and collaboration at the European level.

It is in this spirit that the Group has revised the agreement on the governance of the European Works Council. This new agreement integrates the increase in the scope of consolidation covered to the recent acquisitions (Goldcar, Buchbinder, Denmark, Ireland and Luxembourg), thus covering 16 countries and 12,776 employees. The new Works Council, represented by 17 members, met four times during fiscal year 2019.

(1) This is the number of accidents by millions of worked hours. number includes Finland which is not in the 2019 reporting scope.

When it is not regulated, social dialogue is obtained through the organization of regular team meetings, conferences, employee surveys, or weekly or monthly newsletters.

Across the reported scope of consolidation, the Group had 92 collective agreements in effect in 2019, spread among its 12 Corporate Countries (72 collective agreements) and the three brands: Goldcar, Buchbinder and Ubeeqo (20 collective agreements).

These agreements cover the following topics:

- working hours (leave, telecommuting, etc.);
- compensation, savings and other benefits (quality of life at work: food, lunch vouchers, discounts);
- professional equality between men and women;
- health and safety.

HEALTH AND SAFETY POLICY

The Group wants to act for the health and safety of its employees wherever it operates, with the goal of maintaining low rates of frequency and severity of work-related accidents.

Work-related accidents & Absenteeism

(Coverage rate: 77-87%)	**2019**
Number of work-related accidents**	291
Number of days lost time due to work-related accidents**	4,137
Number of fatal work-related accidents in the year**	0
Work-related accident frequency rate** (1) ★	17.86
Work-related accident severity rate** (2)	0.25
Absenteeism rate	3.92%

(1) This is the number of non-working days for 1000 hours worked.
(2) This is the number of days-off by thousands of worked-hours.

While its activities do not a priori generate specific occupational illnesses, Europcar Mobility Group is nevertheless aware of potential health/safety risks and possible difficulties that could affect its employee, whatever their profiles (psycho-social risks, muscular-skeletal problems, cold, noise and others). In all its Corporate Countries, the Group complies with local laws and regulations on health and safety at work and sets up dedicated committees where required.

To prevent and reduce risk factors, the Group has introduced mandatory wearing of individual protective equipment in station and put in place the regulatory, standardized and/or pro-active measures listed below:

- regulatory measures: in every country where these issues are regulated by law, the Group complies with the requirements for committees or other dedicated structures (frequency of meetings, reporting and sharing of data, etc.). These measures affect French and Belgian entities and cover about 20% of the Group's employees. In France, the Group subsidiaries affected also have an obligation to keep an updated Single Risk Assessment Document, that includes an inventory, assessment, and the actions taken to prevent the potential risks related to its activities;
- normative standards and third party organizations: when these points are not governed by local regulations, Europcar Mobility Group has initiated, depending on the country, either a certification process or partnerships with third-party organizations to define its health and safety policies. Europcar Mobility Group Spain, for instance, bases its policies on OSHAS 18001 certification[1] while Europcar Mobility Group Portugal uses a specialist organization to assess risks, upgrade working spaces and raise awareness among employees;
- proactive measures: in all other Corporate Countries, dedicated procedures have been put in place to evaluate, analyze and prevent health and safety risks at work. In the UK, for instance, procedures are documented and disseminated in a House Book, and in Australia and New-Zealand regular inspections are carried out and training is provided to all employees upon joining the Company.

COMPENSATION POLICY AND SOCIAL SECURITY

Europcar Mobility Group has structured its compensation policy in accordance with local regulations and collective bargaining agreements in each Corporate Country, basing compensation on conditions in the local job market. When it is relevant, the Group also intends to offer its employees compensation that combines individual and group performance.

The Group has therefore established fixed compensation, completed if applicable by individual variable compensation indexed to monthly, quarterly or yearly performance targets, depending on the country and the functions, as well as a collective compensation based on the performance of the Group.

In 2019, the Group's total wages and salaries were €401 million (versus €382 million in 2018). Procedures to report variable compensation differ from one country to another. As a result, the amount of wages and salaries may, depending on the country, include overtime pay.

Europcar Mobility Group complies systematically with all local regulations and obligations and with any internal and collective agreements on social security coverage, whatever the local award criteria (age, seniority, type of contract, etc.). Wherever required by law, the Group provides its employees with solutions that at least match, and where possible exceed, legal requirements to promote loyalty among its employees.

4.4.3.2 "Employer Brand"

The employer brand is built on 3 pillars on which the Group wants to focus its efforts and construct its difference as an

(1) The OHSAS is an international benchmark for management of health and safety at work.

employer, because they are three key factors of success and accelerators for its transformation:

- diversity;
- employee commitment;
- talent attraction and development.

Make diversity an accelerator of the Group's transformation

Europcar Mobility Group has made the promotion of diversity one of its main commitments as a responsible employer.

To do so, Europcar Mobility Group works to promote a complementary workforce, without distinction of gender, age, disability, sexual orientation or origin.

In order to embody this desire, Europcar Mobility Group has developed a base of fundamentals that backs its approach:

- a Code of Ethics, available on its website under the name **"Code of Ethics and Commitments"**. This is a set of ethical, concrete and detailed principles that define the professional behaviors expected from all Group stakeholders. One component of its primary objectives is devoted to the promotion of equal opportunity;
- moreover, Europcar Mobility Group is a signatory of the corporate **Diversity Charter**, the purpose of which is to demonstrate its commitment to cultural, ethnic and social diversity within its organization.

  Its six commitments are:

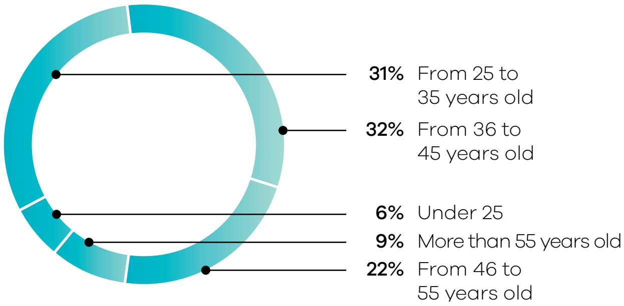
  - increase awareness and train executives and employees in the challenges of non-discrimination and diversity,
  - respect and promote the principle of non-discrimination, in all forms, in all steps in managing human resources,
  - work to reflect the diversity of backgrounds among its employees,
  - communicate about its commitments to Group employees,
  - encourage social dialogue about these challenges,
  - record the results of this practice in the Universal Registration Document.

  This chart promotes a trust-based management style that respects differences. It improves team cohesion, which promotes a better way living together and thus improves performance for the Company.

- Since 2005, the Group has also been a signatory of the UN Global Compact, one of the greatest international commitment initiatives in terms of respect for Human Rights, and international standards for labor, the environment and the fight against corruption. Four of its ten fundamental principles refer to international labor standards, including a specific commitment to eliminate any employment discrimination.

In 2020, the Group's goal is to formalize a Diversity/Inclusion program describing its objectives and a deployment plan to support its action.

DISTRIBUTION OF WORKFORCE BY AGE (1) *
(Workforce at 31-Dec-19)



(1) Excluding Buchbinder and Ubeeqo.

Around two-thirds of the permanent employees are 25 to 45 years of age and almost 40% of the permanent employees have more than 6 years of seniority.

ANTI-DISCRIMINATION

Everywhere it operates, Europcar Mobility Group agrees to comply with local laws and regulations to fight discrimination and prevent any form of provocation, harassment or intimidation. In addition to the "Code of Ethics & Commitments", most of the Corporate Countries also have formal internal non-discrimination policies.

Moreover, training in these issues are offered by some Corporate Countries: in Australia, New Zealand and the United Kingdom, e-learning modules are mandatory for all employees on the themes of "Discrimination, Harassment and Bullying" and "Diversity Training".

At Group level, a harassment officer was appointed end of 2019 to handle the related problems.

Disability is also an issue that is included in the desire for inclusion and diversity in Group profiles in which progress is expected. At December 31, 2019, the number of employees with disabilities accounted for less than 2% of the Group's total workforce. Structuring initiatives are being tested at Group level. First, an initial action intended to optimize sourcing of disable candidates using Cap Emploi, charged with identifying backgrounds adapted to vacant positions. In addition, eligible job offers are relayed on specialized platforms with the notation that "this job is available for people with disabilities".

Spain in 2019 developed a diversity and inclusion program to reach an ultimate goal of 2% of employees with disabilities as required by the law in force. It includes a component to make employees, particularly the Top Management and the DHR, of the grants to organizations that encourage the hiring of persons with disabilities and the purchase of services from suppliers from diversity.

GENDER EQUALITY

Europcar Mobility Group pays close attention to equality within its teams and monitors the accessibility of jobs to women and men alike, both at the recruitment stage and during their subsequent careers within the Group. This commitment is affirmed and communicated via its "Code of Ethics & Commitments" that states that gender may not, under any circumstances, be a criterion for selection, promotion or compensation in the activities of Europcar Mobility Group.

For example, the Goldcar brand revised in 2019 its "Equal Opportunities, Gender Diversity, Race & Culture Plan" in order to guarantee the same opportunities for all. And Belgium initiated a report on the different spreads between the sexes in the Company (compensation, bonuses, etc.). In Barcelona, the Ubeeqo brand last year installed a room dedicated to nursing mothers who want to feed and change their baby while coming to work. In France, an agreement on gender equality will be signed early this year.

The Group's efforts to promote gender equality are reflected in the Group's consolidated figures, in its overall workforce and in its management teams or governance bodies, all of which have high ratios of women.

WOMOB, the women's network of Europcar Mobility Group for more diversity and inclusion

The "Women in Mobility" network was officially launched in April 2019 by the Chair of Management Board Caroline Parot and Agathe Bousquet, the President of Publicis Group in France.

The objective of this internal network is to promote inclusivity in the workplace by focusing on the issues of gender equity and equality within the Group. The WoMob network is also intended to spread the idea of inclusive mobility, acting as a think tank and bringing innovations in this area.

The WoMob network has 3 areas of work:

- **Empowerment**: The objective of this first pillar is to give the means to women to make personnel and professional progress. Thus, actions have been taken locally through the network of WoMob correspondents working in all Group countries and entities. For example, it organized training workshops and webinars on "unconscious biases" at the Group's headquarters and relayed to 250 employees around the world. "Career Talks" on the theme of gender equality were held with the Management Board. At the end of 2019, a pilot mentoring program was launched: in 2020, it will be rolled out in the United Kingdom, Italy and Group headquarters. It is planned to launch it worldwide in 2021.
- **Networking**: this component allows women to activate and enhance their network internally and externally using the channels available, such as the internal Facebook Workplace social media, on which the WoMob group has 470 members. Meetings like "WoMob Afterworks" are also proposed. The goal for 2020 is to expand this program to women in stations, targeting more of their specific needs.
- **Business Streams**: the WoMob network is conducting studies to identify target publics that have problems accessing mobility or who are neglected by the mobility operators. For example: starting with the finding that nearly 90% of those using our services are men, WoMob identified a "stream" that consists of developing specific rental offers adapted to female customers, particularly young women.

GENDER BREAKDOWN (Workforce at 31-Dec-19)

(Coverage rate: 80-96%)	**2019**	
Men**	5,814	55%
Women**	4,647	45%
Male managers*[(1)]	1,220	60%
Female managers*	822	40%
Men on the Management Board	3	75%
Women on the Management Board	1	25%
Men on the Supervisory Board	6	55%
Women on the Supervisory Board	5	45%

(1) Are excluded from the distribution Male – Female managers: Buchbinder and Ubeeqo.

Develop employee commitment

VALUES PROGRAM

In 2017, the Group defined its **values** in order to forge a common culture – "ONE Group". Definition of its values was the subject of a large internal consultation conducted by the Human Resources Department in all countries.

In 2018, these values were nourished and enriched by the work of the Group Executive Committee (GEC), so that these values are in line with the Mission & Purpose of the Group.

These values are shared and embodied by all employees every day in the performance of their duties.

- Customer-centric: Place the customer at the center of everything we do.
- Feeling Valued.
- Open Communication.
- Working together.

Customer-Centric > Place the customer at the center of everything we do

At Group level, we encourage fluid, multimodal and seamless solutions, with a strong conviction that mobility must be inclusive and not a factor of exclusion.

Thus, we are creating global, connected, agnostic and open solutions constructed around the needs of individuals and societies.

As a leader, we seek performance: this is why we are always seeking the best and we challenge ourselves for our customers.

At brand level, we listen to our customers and are continually improving the experience we offer them. We are also designing, in collaboration with our customers, the offers and services that they expect from a mobility services company.

Feeling Valued > Value contribution

Our Purpose – offer attractive alternatives to vehicle ownership – is both the core of the Group's DNA and at the center of its strategy for the future.

We recognize the individual and group contribution to this strategy at the level of the brands, business units, countries and corporate functions.

Whatever the country, whatever the position held within the Group, we value responsibility: the responsibility of the persons who contributed to the success of the Company.

In return, we identify and develop the different talent pools that we need today and tomorrow. We also create development opportunities for each talent.

Finally, we are proud of the "mix" of culture and skills that brings us together and on which we are building our future.

Open Communication

We share more than information: we share the same passion for the mobility era. At the same time, we share the same concern for societies and individuals facing massive urbanization and demographic explosions.

To meet these challenges, we believe that there is no such thing as a "stupid" idea: this is why we encourage the open expression of ideas and respect different points of view as a vector for innovation.

We believe that we can play a leading role in the new mobility ecosystem, as long as we think, decide, act and function as a united Group, which is ONE.

This is why we encourage open communication and reciprocal feedback to achieve a single voice.

This is why we also constantly ensure that we respect our decisions and execute them consistently and with coordination, as if we are acting as ONE.

Working Together

We are joining our forces with those who share our vision and defend a collaborative approach.

Within our Group and beyond its borders, we are focused on the notion of projects and on the act of achieving them.

We encourage the sharing of best practices, promote integration and teamwork.

We take care to create a real sense of belonging and work to create a work atmosphere in which people can work and succeed in our projects while having fun!

To **bring these values to life**, in 2019 the Group adopted a 3-pronged program:

Understanding: to ensure a solid understanding of values at all levels of the Group, and monitor their impact on our activities through the development of behaviors and work methods in line with the Group's values.

- Employee training, "Values" module in the induction program, etc.

Feeling: to give life to the values and stimulate a pride in belonging.

- Installation of an internal social network (Facebook Workplace > implementation in 2019) and use of this tool to demonstrate our values every day.

Living: entrench our values at the very heart of the performance of our businesses and operations.

- Change (in 2019) in the annual performance review to make values one of the keys to the Group's success.
- Revitalization (in 2019) of the in-house recognition "You Make the Difference" program: a program organized by Top Management in the different Group Corporate Countries, with the support of all Human Resources teams. In 2019, five winners were invited to speak to the members of the Group Executive Committee during an annual event bringing together all Top Group Managers and all Group Franchisees (Global Conference) in Berlin. During an official ceremony, the jury honored four employees (one for each value) who best embodied these values in their missions.

INVOLVE EMPLOYEES IN THE COMPANY'S PERFORMANCE THROUGH EMPLOYEE SHAREHOLDING

In 2019, the Group launched its second employee shareholding plan called "We Share 2019". This followed the first shareholding plan launched in late 2016.

Offered to the vast majority of Group employees, the objective of this plan was to encourage the integration of the recent acquisitions (Goldcar, Buchbinder, Ireland, Denmark), as well as to involve employees in the Group's transformation and development strategy.

"We are convinced that becoming the "mobility service company" preferred by customers, by offering an attractive alternative to vehicle ownership (...), will be possible only if each of us, regardless of our position and role in our Group, completely feels we are stakeholders in this exciting and ambitious project.

What better way to achieve this than to create now the conditions for sharing the value we are going to create together, starting this year and in the years to come! (...)

We want to create value with our employees, mobilizing their commitment and being able to share what we are going to create together: this is the full meaning that we want to give to employee shareholding at Europcar Mobility Group" – Excerpt from the We Share 2019 brochure, 3 questions to Caroline Parot, Chair of the Management Board of Europcar Mobility Group.

By the end of the We Share 2019 subscription period, the position of the employees in the Group's equity has increased. They are among one of the top 10 shareholders of the Group: at July 30, 2019, Europcar Mobility Group employees held a total over of 3% (2.77%) of the Company's capital.

Attract talent, develop it and support employee career paths

Talent attraction and management are considered key performance drivers by Europcar Mobility Group that will enable it to provide ever more innovative mobility solutions and a consistently high level of service to customers wherever it operates.

In 2019, 4,479 employees joined the Group; 1,36% were hired after an internship or an apprenticeship period.

HIRES AND DEPARTURES OVER THE YEAR** ★

(Coverage rate: 70-87%)	2019	
Hires	4,479	-
Number of voluntary departures	1,757	45%
Number of departures initiated by employer	1,756	45%
Number of departures for other reasons (end of contract, retirement)	900	23%
Internal mobility	1,054	-

With the creation of a Talent Department in 2018, the emphasis had been placed on securing key skills in line with the Group's transformation. The bases for the Department rested on the first global talent review, the mission of which was to identify the key position and high potential employees while preparing succession plans. The results of this first talent review was presented to the Group Appointments and Compensation Committee and the Supervisory Board.

In 2019, the Talent Department pursued its goals through an action plan specific to each population segment. Thus, the Group structured its performance appraisal approach for each employee promoted to a position reporting to a member of the Management Board. This approach establishes a mapping of the anchor points and areas for improvement for the employee in question in order to establish an individual development plan designed to ensure that the position will be filled. The Group also developed a special path for high potential employees, consisting of individual evaluations, career interviews, mentoring and training programs.

Finally, the Group expanded the boundaries of the talent review to cover a larger scope. As a result, the Group covered 462 key positions (vs 168 in 2018), including this year managers from the agencies with revenue of more than 10 million euros and the entire population of the Revenue & Capacity Management Department.

To encourage international mobility, the Group also initiated the Mobility Forums which, once a month, are designed to identify internal candidates that could seize an opportunity in the Group.

SUPPORT EMPLOYEES THROUGHOUT THEIR CAREER IN THE GROUP

The Group seeks to support employees throughout their careers and offer all of them the opportunity to develop their skills through dynamic training policies adapted to their needs. Thanks to the formalization of one-on-one interview procedures in each of its Corporate Countries, the Group is able to identify the training needs of its employees and know their level of commitment and professional development.

To allow employees to flourish professionally, Europcar Mobility Group develops training policies designed to reconcile three points:

- the needs and aspirations of employees as defined at the start of each year in the annual performance reviews;
- strategic developments in the Group and its markets which may require the mastering or development of new business skills;
- legal and regulatory obligations that may make it necessary and/or mandatory to train employees in specific issues, particularly in the area of health and safety at work.

There are a number of training topics adapted to each category of businesses, in stations and at headquarters. These may relate to health and safety at work (accidental spillage in stations, first aid, etc.), management, foreign languages, professional skills (selling, e-commerce, marketing, etc.) or IT and digital tools.

Most of the Corporate Countries have also formalized training plans and set up a dedicated team or in-house trainers, as in the United Kingdom, France (see inset) and Belgium.

These training courses are offered in a variety of formats (face-to-face, e-learning, etc.) in order to ensure they are available to the greater number.

Training performed during the year

(Coverage rate: 76-83%)	**2019**
Number of employees trained**	7,927
Number of training hours**	94,389
Number of employees trained among the external and seasonal workforce	2,481
Number of training hours for seasonal workforce	14,983
Number of apprentices and interns recruited during the year	485

In 2019, 76% of permanent and temporary employees received at least one training session during the year. Moreover, training programs are also opened to seasonal and external employees.

The recruitment of apprentices and interns is also part of the Group's commitment to promote access to employment for young graduates. This year, 485 apprentices and interns were recruited in the Group and 13% were subsequently hired on permanent or fixed-term contracts.

The Europcar Mobility Group France Academy, a training organization for the employees of Europcar Mobility Group France

This French initiative was launched in March 2019 and offers a very diversified catalogue of quality training courses, guaranteed by the Datadock certification.

The organization delivers training in six basic areas: Management & Leadership, Expertise in the businesses at Europcar, Personal development and Personal Effectiveness, Operational Excellence, Tools & application, Mandatory training & safety. This catalogue will be enriched in coming years.

Thanks to the "Train the trainers" program, the Europcar Mobility Group France Academy trains employees who in turn become trainers with a dual objective: to develop their own skills and create value for their expertise within and outside the Group.

The values carried by this organization are completely in line with those of the Group, with the ultimate goal of developing its teams.

4.5 ACT FOR THE ENVIRONMENT

4.5.1 List of risks and opportunities identified.

Environment

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
Climate change and emissions into the air. ◆ ● 30% of global greenhouse gas emissions are related to the transport industry, which is also the second highest energy-intensive industry. While the mobility sector accounts for only part of these emissions, massive urbanization and the increasing number of people traveling have contributed to the increased footprint in recent years. • Europcar Mobility Group activity may contribute, individually and like all the market's players, to increasing the overall level of emissions. This reality may present, on the first hand, a regulatory risk in case of a quick evolution of the law, especially on thermic vehicles; and on another hand a reputational risk linked to this impact. Considering its historical activity, the Group also sees this as an improvement opportunity by promoting the sharing economy. To do so, the Group makes a varied range of mobility solutions available to its customers as well as recent vehicles as alternatives to car ownership.	**Part of the CSR program "Commit Together" – Make mobility accessible** Propose and promote sustainable mobility offers and increase the awareness of our customers throughout their journey	Greenhouse gas emissions ★	Scope 1: 26,249 Scope 2: 8,510 Scope 3: 1,912,332	Scope 1: 20,521 Scope 2: 9,433 Scope 3: 1,824,538	☺
		Average emissions of CO_2/km from vehicles *(g/vehicle)* ★	124 g	125 g	☹
		Proportion of operational subsidiaries that have initiated ISO 14001 certification ★	9 Corporate Countries	8 Corporate Countries	☹
		Average age of the vehicles placed on the market (months) ★	10.2 months	9.7 months	☺
		Proportion of hybrid and electric vehicles purchased during the year ★	1%	2%	☺
		Number of kilometers covered by hybrid and electric vehicles during the year ★	52 millions (i.e. <1% of kms traveled)	84 millions (i.e. <1% of kms traveled)	☺

◆ Risks ● Opportunities

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
Environmental footprint and regulatory compliance. ◆ Europcar Mobility Group's carbon footprint is divided between its direct activities (administration, transporting the fleet, preparing and cleaning vehicles in-house, etc.), its subcontractors (repair, preparation and cleaning of vehicles by service providers, etc.) and its customers (vehicle use, fuel consumption, etc.) • To address the successive increases in Group scope and the rapid developments of the legal and regulatory framework within which it operates, it is imperative for the Group to design a dynamic environmental policy geared to create the lowest possible impact on the environment.	**Part of the CSR program "Commit Together" – Act for the environment** • The Group's actions for environmental responsibility • Develop responsible resource management	Proportion of vehicles washed without water or movement % ★	10%	26%	☺

◆ Risks

The policies implemented to control and mitigate risks and seize opportunities are mentioned in blue in the table above and presented in more detail in the following Sections.

4.5.2 The Group's carbon footprint

The Group's carbon footprint is divided between its direct activities (administration, transporting the fleet, preparing and cleaning vehicles in-house, etc.), its sub-contractors (repair, preparation and cleaning of vehicles by service providers, etc.) and its customers (vehicle use, fuel consumption, etc.)

The Carbon Balance presented in the following table shows the greenhouse gas emissions of Europcar Mobility Group by source: direct emissions (Scope 1) or indirect emissions related to energy consumption (Scope 2), other indirect emissions (Scope 3).

The Group's carbon balance

(In CO_2 teq)	2019
Scope 1	20,521
Scope 2	9,433
Total scopes 1 & 2	**29,604**
Scope 3	1,824,538

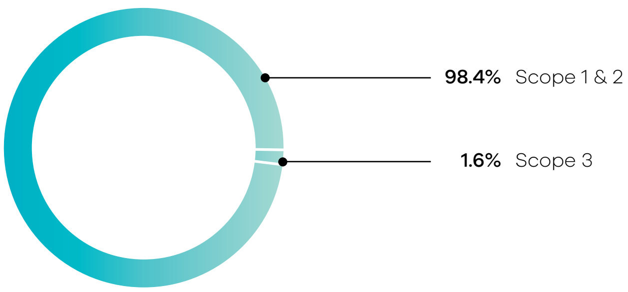
To better understand its overall carbon footprint and identify potential vectors for action, the Group updated its greenhouse gas assessment at the end of 2019 to include recent acquisitions. This gave the Group a more detailed picture of its sources of emissions and its potential scope of action to reduce them.

On the date of this Universal Registration Document, and as stipulated in Section 4.5.5. Europcar Mobility Group climate commitments, work is being finalized to define the objective for reduction of the Group's greenhouse gas emissions as well as a carbon trajectory to be achieved. These will be released as soon as they are endorsed by the Group's corporate governance bodies.

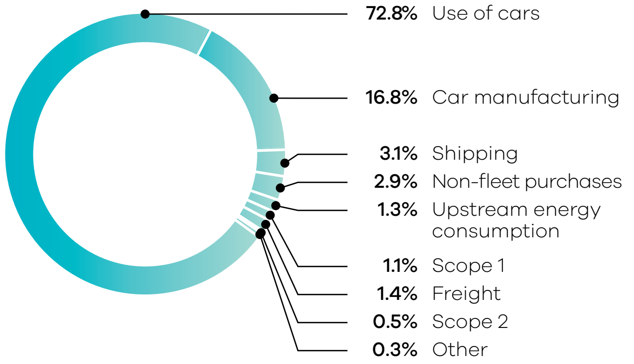
To that end, in 2019, the Group joined the "Science Based Targets" initiative (SBTi), whose methodology is in line with the objective to limit global warming to +1.5°C. Members will have to submit their assessment as well as their action plan to be validated by the initiative.

These elements will be communicated as soon as the Group's corporate governance bodies will have validated them.

GHG emissions balance sheet (Scope 1, 2 & 3): breakdown by scope



GHG emissions balance sheet (Scope 1, 2 & 3): breakdown by source



As the main source of greenhouse gas (GHG) emissions, the use of vehicles by customers is seen as the Group's top priority to reduce its overall carbon footprint. In effect, among the GHG emission sources identified, fuel combustion by vehicles driven by the Group's customers makes up around 73% of the Group's total GHG emissions.

4.5.3 The Group's convictions on environmental responsibility

ACT FOR THE ENVIRONMENT

Thanks to the very nature of its activities, our Group wants to be part of the solution toward a low-carbon world, by offering an alternative to individual vehicle ownership and by contributing in this way to the reduction of the number of cars on the roads and in our cities.

Moreover, as the major source of carbon emissions of the Group is the use of vehicles by its customers, our Group wants to maintain its efforts to be equipped with the newest, "CO_2 light" vehicles, and to gradually develop its electric, hybrid and natural gas (NGV) vehicles in the coming years.

Acting for the environment also means acting together with our customers: thus, we are working to include them in our approach, by offering a variety of mobility offers and through awareness raising programs on eco-driving.

Finally, in conducting its business, the Group is particularly attentive to limiting all its direct environmental impacts related to its activities (in particular: water reduction and energy consumption, reduction and treatment of the waste produced) in compliance with local regulations in a continuous improvement approach.

4.5.4 Group actions for environmental responsibility

The Group's actions in environmental responsibility cover five areas:

- equip our fleet with the latest "CO_2-light" vehicles;
- increase the proportion of low-carbon vehicles (electric, hybrid, NGV) in our fleet;
- offer and promote sustainable mobility offers and increase customer awareness throughout their journey;
- raise awareness of our employees and train them;
- develop responsible resource management.

4.5.4.1 Equip our fleet with the latest "CO_2-light" vehicles

Thanks to its business model essentially based on buy-back contracts (carmakers buy back their vehicles after a fixed period), Europcar Mobility Group offers for rental a fleet of recent models (★ with an average age of 9.7 months), which meet the latest standards for fuel consumption and GHG emissions. At December 31, 2019, ★ average fleet CO_2/km emissions were 125 g.

4.5.4.2 Increase the proportion of low-carbon vehicles (electric, hybrid, NGV) in our fleet

Europcar Mobility Group is committed to offering a low-carbon fleet in order to reduce the carbon footprint related to the use of its vehicles by its customers, and to continuously enhancing its offer of electric and hybrid vehicles. In 2019, ★ these vehicles represented almost 2% of the passenger vehicles acquired by the Group (6,869 hybrid, electric and natural gas vehicles).

This desire is an integral part of the Group' strategic plan through the "ONE Sustainable Fleet" program.

Deployment notably requires the installation of charging infrastructure, the training of employees in these new usages, and the adaptation of customer offers to these innovative technologies.

4.5.4.3 Propose and promote sustainable mobility offers and increase customer awareness throughout their journey

- **Contribute to the development of car-sharing to reduce congestion and pollution in cities**

Given that an individual car is parked 95% of the time, the Group believes that owning a car in the city is not economically reasonable. Furthermore, adding cars to urban areas contributes to congestion and pollution. Car-sharing therefore represents an attractive and responsible solution.

Everywhere the Group is present, it intends to offer alternative solutions to individual vehicle ownership with its urban mobility brands and services, Ubeeqo, GoCar, E-Car and Scooty, particularly in the 10 major European cities where it is present.

These car-sharing and scooter-sharing services offer urban residents fleets mostly made up of electric or hybrid vehicles. The Group's goal, particularly with the Ubeeqo brand, is to provide a dense network in the cities, with vehicles available less than 500m from home or workplace in order to maximize accessibility to the vehicle.

In addition, closed loop car-sharing (or station-based model) – a model adopted by the Group for all its urban mobility offers – also significantly improves the quality of life in cities by reducing CO_2 emissions and urban congestion. For each loop car share, there is a gradual reduction in the number of cars by 10 to 20 individual vehicles.

> Car-sharing in a closed loop or station based differs from direct route or free floating car-sharing. With closed-loop car-sharing, the vehicle must be returned to its initial station once the trip has been completed (hence the "loop" idea). Use is thus related to the use of an individual vehicle with reserved space.

Thanks to these assets, Ubeeqo in 2019 became the leading car-sharing operator in Paris.

At the end of a call for tender from the City of Paris, Ubeeqo was awarded 850 street parking spaces, reserved for car-sharing, i.e. most of the spaces labeled "Mobilib'". Winning these new parking spaces substantially strengthened Ubeeqo's leadership, making it effectively the leading car-sharing operator in the capital.

In addition to the 850 Mobilib' spaces awarded to it, Ubeeqo continues to offer its car-sharing services in underground parking lots in the capital. Thus, there are total of more than 1000 Ubeeqo cars available to Parisians.

The service was rolled out in line with the requirements of the City of Paris air pollution control plan, with 80% electric and hybrid vehicles.

To support this increase in the service in Paris, Ubeeqo has rolled out marketing campaigns aimed at convincing Parisians to give up their personal vehicles by presenting practical, economic and civic arguments in favor of loop car-sharing.

Finally, towards the end of the year and during the national strikes in France, Ubeeqo responded to the call from the RATP (the operator of the Paris subway system) to offer its car-sharing services at preferential rates and help travelers in coping with the problems generated by the strike movement.

In the coming years, the Ubeeqo brand will make a major contribution to the promotion of sustainable mobility, by taking advantage of the favorable direction of public policies and the commitment of the major corporations to an environmental approach.

- **Promote electric car rental to our customers**

Our customers covered more than 84 million kilometers (<1% km travelled) in electric and hybrid vehicles in 2019, a significant increase of 61% over 2018 (vs. 52 million kilometers in 2018).

The Group believes that it can still raise the proportion of kilometers travelled by its electric and hybrid models, and its goal is to constantly improve the rate of use of low-carbon vehicles by running specific sales and marketing actions whenever possible.

Some good practices achieved in the Group last year are described in the insets below. They are being pilot-tested for potential deployment throughout the Group when this is timely.

Electric Day Pass Program – New Zealand

After the success of the Electric Day Pass (EDP) pilot program in 2018, and after receiving nearly US$ 200,000 in government subsidies, the Electric Day Pass program was relaunched in New Zealand via its Europcar commercial brand. This is a closed-loop rental offer intended for business customers who regularly travel between the principal airports of Christchurch, Wellington, Palmerston North, Nelson and Auckland City. Their trip in electric vehicles is free during the day of their travel in one of the cities listed.

"The Only Way to the Future is Green" campaign – Spain

During the COP25 UN climate conference in Madrid from December 2-14, 2019, Europcar Mobility Group Spain conducted a large-scale advertising campaign titled "The only way to the future is green", in order to promote the use of electric cars.

During the operation, "Eco-Stations" offered only green vehicles for rental. In the other stations, a 35% reduction was offered for vehicles in the "Eco Fleet" line to customers who wanted to give up rental of diesel or gas vehicles.

A major communication campaign was deployed externally via posters in Madrid's subway system and at the airport. It was supported by the "8 reasons why we are Eco" customer e-mailing campaign and with an in-house survey to employees and on the Facebook Workplace social network.

"Drive & Charge" – France

Launched in October 2019 by Europcar Mobility Group France and the EDF subsidiary IZIVIA, the target of this pilot project is to offer a charging solution for electric cars to the customers of the Europcar brand in France.

This offer gives customers the opportunity to rent an electric car with a charging solution, using the IZIVIA pass.

The Europcar customer advantage offer gives customers a reduction on the Pass registration fee and access to one of the largest charging networks in France and Europe (over 100,000 charging points).

This work joins both the Electric Mobility Plan launched by EDF in October 2018 and the Group' strategic roadmap, both intended to step up the energy transition.

One concrete example resulting from this cooperation is the installation of recharging terminals in the stations of the Europcar network, with an initial deployment under way in its 12 largest rental agencies in France.

"Europcar Mobility Group France deploys the Group's strategy, whether in terms of commitments made to fight climate change or in response to the growing environmental concerns of its customers, both individuals and professionals. This includes offering a more sustainable and responsible fleet. Our fleet is already "CO_2 light" by definition, because we offer our customers new cars with the latest engines offered by the automakers. Our Group wants to go further, by increasing the proportion of electric, hybrid and NGV vehicles in its fleet. Working with IZIVIA is going to be a driving force for us"

Robert Ostermann, Chief Executive Officer
Europcar Mobility Group France.

Europcar Mobility Group Portugal carried out two initiatives to reduce greenhouse gas emissions by installing charging terminals for electric cars in the airports and principal city center stations, as well as the rental of bicycles (500) and electric scooters (180).

- **Increase customer awareness throughout their journey**

Starting with the reservation, Europcar Mobility Group via its Europcar commercial brand lets its customers choose their vehicle on the basis of environmental criteria by providing the CO_2 emissions of the models for rental when they select the vehicle on the Group's websites. This information is completed by an indicator scored from A to G (similar to an energy rating where "A" has the lowest impact), and a color coding for clear and quick identification of the vehicles with the lowest emissions. Moreover, at the end of the rental, customers can check the theoretical carbon footprint of their journey on the bill, which is calculated by multiplying the number of kilometers traveled by the average emissions of the vehicle driven.

Driven by a desire to reduce CO_2 emissions from the use of its cars in circulation, the Group wants to increase customer awareness, throughout the customer's journey, in order to adopt simple acts that make the difference on their energy bill and for the planet.

Eco-driving challenge

Eco-driving is a series of practices intended to reduce fuel consumption. As a result, drivers can reduce by an average of 11%. their gas emissions responsible for climate change. This provides collateral benefits for our customers, since eco-driving also represents a reduction in their energy bill and a decrease in the risk of an accident on the road.

In 2019, a pilot project was launched with the Europcar brand on its fleet of connected vehicles in Mallorca. To carry out the project, Europcar Mobility Group partnered with WeNow, a French start-up that assists companies in limiting their carbon footprint by offering a connected solution to act concretely on the carbon emissions of car travel.

The project lasted several months in two distinct phases:

- the creation of an eco-driving model compatible with the existing onboard technology in the connected vehicle. This first phase validated the compatibility of the data already connected with the eco-driving model including WeNow algorithms;
- the customer experience during which the competition for best "Eco-driver" of the month was organized. During the entire period of the COP25 UN climate conference in Madrid, customers were asked to take concrete actions to reduce the environmental footprint of their trips by adopting simple gestures, such as starting and accelerating smoothly, not over-revving, anticipating slowdowns with preferential use of engine braking, switching off the engine when stopped for a long time (more than 20-30 seconds), using the air-conditioning wisely or just simply reducing speed.

Throughout the month, the average weekly scores from the station were displayed on screens, on the basis of three performance indicators: an eco-driving score (relating to energy efficiency), road safety and total CO_2 emissions for the week.

At the end of the rental contract, customers who had taken part in the contest received an email with the three indicators for all their trips along with personalized eco-driving advice. A survey was also conducted to learn the customer's interest in the deployment of this approach group-wide as part of its Connected Cars program.

The initiative was definitely successful with an average participation rate of 81% over the month.

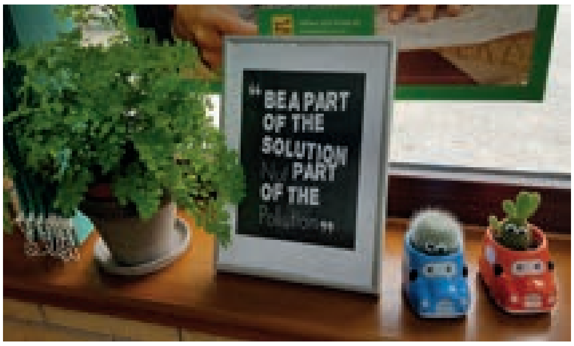
4.5.4.4 Increase the awareness of our employee and train them

We carry our programs to increase employee awareness and to train them on environmental issues. We raise their awareness on the responsibility of each person to perform simple gestures and best practices through live or e-learning courses conducted in each country.

In Belgium, for instance, each new hire is made aware of environmental concerns during their Welcome Day. In some Corporate Countries, employees have dedicated e-learning modules, as in Australia and New Zealand via Europcar University, tools available on the local intranet sites as in Italy, Germany or France. A best practices guide is also distributed to Goldcar employees to implement simple everyday actions.

This local awareness and training actions are implemented by the HR and Communication departments in the countries, relying on the local CSR correspondents.

Environmental Week in the United Kingdom (Monday July 8 to Friday July 12, 2019)



Once a year, Europcar Mobility Group UK organizes a "Green Month", during which all environmental policies, procedures and activities are again communicated to employees.

In this context, an "Environmental Week" has been launched in July to mobilize employees on environmental issues and more broadly support the deployment of the "Commit Together" program.

During the week, there were different themes to raise awareness on a number of environmental issues and ideas of how employees can get involved and take actions.

In 2019, 26 business units have participated and 138 activities were registered in total. The themes for each day were: beat plastic pollution, respect your local environmental, launch of the dedicated e-learning module, responsible consumption and beat air pollution. Employees were also invited to come up with their own ideas.

4.5.4.5 Develop responsible management of resources

In addition to greenhouse gas emissions by the use of vehicles, the Group is also taking action at all stages of its life cycle to cut down its direct impacts on the environment, notably in the stations, where these impacts are the most significant. Three environmental issues are being particularly targeted: water consumption, energy consumption and production and treatment of waste.

In terms of its ground footprint, the Group has areas used permanently for headquarters and the network, and parking lots are actively managed according to the activity. The orders of magnitude and the types of surface area occupied by the Group (in the basement or on an upper level) are not such as to make ground usage a significant issue for the Group in terms of environmental impact.

	2019	
Environmental Footprint: key figures	**Consumption**	**Coverage rate**
Water *(cu.m.)*	402,346	85%
Total energy, excluding fuel *(MWH)*	44,829	85-98%
Including renewable energy (MWH)	*7,266*	*85%*
Fuel consumed internally *(L)*	7,289,547	85-87%

All figures presented above are for the Group's direct in-house consumption. They cover the Corporate Countries scope and do not include the franchise networks or suppliers (who are outside the scope of the annual CSR report).

The costs related to water and energy consumption are, for a number of stations, included in the premises' rental charges, and it is difficult to obtain more detailed information. The data presented up-here integrate all the head offices and covered between 85% and 98% of stations' activities.

In 2019, the Group consumed 7,266 MWh of renewable energy in its stations (10.2%) and head offices (89.8%) in all the Group's Corporate Countries. Aware of the issues linked to its energy consumption and the greenhouse emissions it generates, Europcar Mobility Group seeks to constantly increase the percentage of renewable energy in its consumption. Thanks to the supply of renewable energy for a growing portion of its sites in Italy, France and Germany, this proportion was around 16% of the Group's total energy consumption during the year.

Europcar Mobility Group also wants to optimize energy consumption within its network by encouraging best practices. Stations undergo regular energy audits, notably when qualifying for or renewing their environmental certifications.

Within this framework, Europcar Mobility Group United Kingdom in 2019 continued its plan to replace standard lighting with LEDs to equip all its stations by 2021. Spain headquarters also moved to 100% LED lighting while 40 stations in France were equipped during renovation work.

(1) Net Promoter Score for the Europcar brand is monitored historically as a key performance indicator. The Group's Net Promoter Score continued to trend up in 2019 to 49.62% (see Chapter 5).

Car wash, an environmental priority for the Group ★

Car wash consumes large quantities of water but also of energy and chemical products. It is done either in-house by the Group's vehicle preparers when stations have dedicated facilities or outsourced when there is no in-station car wash. The Group is not subject to special restrictions on water use, even though it operates in warm countries and/or countries subject to hydric stress. One exception is in Belgium, where a water restriction may be ordered by the governmental during exceptional situations. No penalty has been imposed on Europcar Mobility Group for its water use in 2019.

Europcar Mobility Group consumed 402,346 m^3 of water, 97% of which was in the stations, generally linked to car washing before each rental. To cut its water consumption, the Group streamlines the number of vehicles "going through" automatic vehicle washes. At the end of rental, an assessment determines whether the car needs a full wash or if a dry manual wash is sufficient.

With this system, the stations optimize their water and energy consumption and limit vehicle movements. At December 31, 2019, the program had been deployed in numerous stations in Europe and allow ★ just over 26% of rented vehicles to be washed without water or without moving them throughout the Group. This saved 128,032 cu.m of water and prevented the emission of 188 teq CO_2 in the year.

Some stations are also equipped with water recycling systems to limit the water taken from the supply networks.

Reduce environmental risks and ensure good waste management

The Group considers fuel storage as the main environmental risk factor. It pays particular attention to maintaining its tanks and warning systems (leak detectors, alarms) and to training its teams to prevent leaks and how to respond in the event of an accidental spill. All Group facilities comply with local regulations on storing and operating fuel storage tanks. The deployment of ISO 14001 certification also strengthens prevention against the risk of leaks and training personnel in the event of an incident.

Europcar Mobility Group aims to promote environmental best practices wherever it operates, particularly when it comes to actions to reduce energy consumption and improve waste treatment.

	2019	
Waste treatment *(Metric tons)*	**Consolidated Group Data**	**Coverage rate**
Quantity of dangerous waste produced	669	45-47%
Quantity of dangerous waste recycled	449	44-45%

Waste produced by the Group can be classified into two categories (hazardous and non-hazardous). Classification and treatment depend on local regulations that the Group conscientiously complies with in each of its Corporate Countries through special local procedures and its environmental management systems such as ISO 14001.

Regarding waste classified as "hazardous", the Group basically generates waste sludge from the stations' hydrocarbon separators, batteries, IT waste, toners and neon tubes. In 2019, "non-hazardous" waste is mainly office waste and paper.

Several pilot initiatives have been launched to constantly increase the recycling rate of waste produced by the Group and promote a circular economy for their treatment. To this end, the Europcar brand in France started sorting waste in its largest stations, which has allowed it to recycle most of the waste produced through dedicated channels.

Certify our process ★

In order to encourage local initiatives deployed in the Corporate Countries, Europcar Mobility Group strongly supports the deployment of ISO 14001 – Environmental Management. It is applying this management system to a scope of headquarters and stations in order to reduce its environmental impact. Implementing this system requires an operational plan followed by the performance of regular audits by external certification organizations. At December 31, 2019, ★ 8 Corporate Countries had initiated ISO 14001 certification. Europcar Mobility Group Germany goes even further by renewing once again this year the ISO 50001 certification on energy management practices.

4.5.5 Europcar Mobility Group climate commitments

Our climate ambition has been materialized in 2019 with the signing of two commitments to reduce the carbon emissions of its activities. This carbon trajectory will be determined in line with the goals defined by the Paris Agreement signed in 2015 by 195 countries. The Paris Agreement's central aim is to strengthen the global response to the threat of climate change, by keeping a global temperature rise this century well below 2°C, above pre-industrial levels, and to pursue efforts to limit the temperature increase even further to 1.5°C. Since then, this target has been deemed necessary by the Intergovernmental Panel on Climate Change (IPCC) if mankind wants to prevent the irreversible and destructive effects on the planet.

French Business Climate Pledge

FRENCH BUSINESS CLIMATE PLEDGE
LES ENTREPRISES FRANÇAISES S'ENGAGENT POUR LE CLIMAT !

In the framework of the One Planet Summit of December 2017, 91 French companies affirmed the need to collectively change course to engage a drastic reduction of global greenhouse gas (GHG) emissions. Europcar Mobility Group joined this national commitment for 2023 during the Rencontre des Entrepreneurs de France (MEDEF) on August 29, 2019 alongside 99 major French companies committed for the climate by accelerating their investments in low-carbon solutions.

Business Ambition for 1.5°C Pledge – Our Only Future

BUSINESS AMBITION FOR 1.5°C
OUR ONLY FUTURE

In the context of the COP 25 on Climate in Madrid in December 2019, the United Nations Global Compact launched a call for action to the executives of large international corporations, asking them to commit to defining a goal for reducing their greenhouse gas emissions within two years.

Europcar Mobility Group answered this call.

To define its goal for reducing its greenhouse gas emissions, the Group joined the "Science Based Targets" initiative (SBTi), which independently assesses and approves corporate emissions reduction targets, in line with what latest Climate Scientists' reports say is needed to meet the goals of the Paris Agreement (i.e. to limit global warming to +1.5°C).

With this announcement, these companies are leading the way in creating a positive feedback loop known as an "ambition loop", with Government policies and private sector leadership reinforcing each other, and together taking climate action to the next level.

4.6 SHARE OUR BUSINESS ETHICS

4.6.1 List of risks and opportunities identified.

Human Rights and fundamental freedoms

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
Suppliers and supply chain ◆ Given the nature of its business, Europcar Mobility Group makes the vast majority of its non-fleet purchases in the geographical regions where it operates (transporting the fleet, car washing, maintenance, etc.). • Changes in regulations relating to business relationships and in particular the duty of care require that the Group put in place the necessary actions and mechanisms to prevent any breach of ethical rules within its supply chain.	**Part of the CSR program "Commit Together" – Share our business ethics** • Responsible purchasing policy • Duty of care	Proportion of suppliers audited including CSR issues ★	<1%	0%	☹

◆ Risks

Corruption

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
Combating corruption and fraud ◆ The Group's business, present (directly or via franchises, agents or partnerships) in over 140 countries and territories worldwide, is subject to many local, national and international laws and regulations, including on combating corruption and fraud. • The Group keeps track of and monitors the regulations to which its activities in France or abroad are subject. However, changes in legislative, regulatory and judicial decisions or in other applicable standards and, more generally, changes in decision-making arrangements by the competent authorities could render it liable.	**Part of the CSR program "Commit Together" – Share our business ethics** • Promote business ethics • Combat corruption	Number of employees sensitized/trained on combating corruption and fraud ★	Not available	Not available	/

◆ Risks

Societal

Risk/Opportunity	Related policies	Key performance indicators	2018 Results	2019 Results	Trend
New customer usages expectations ● Facing massive urbanization, the increase in individual travel and new mobility policies, in particular in towns and cities, customer needs are changing and new practices are developing. • Europcar Mobility Group is able to offer a variety of mobility solutions and maintain a high level of service in order to cater to the new usages and travel needs of its customers.	**Part of the CSR program "Commit Together" – Make mobility accessible and Share our business ethics** Group initiatives making mobility accessible: • Offer a broad variety of mobility solutions that are alternatives to individual car ownership • Develop attractive offers with the best quality and safety standards • Ensure the accessibility of our offers regardless of our customers' needs or budget • Target a high level of customer satisfaction	Catalogue of marketing offers ★			
		Catalogue of mobility solutions ★			
		Net Promoter Score (NPS) ★	56.4%	58.0% (1)	☺

● Opportunities

The policies implemented to control and mitigate the risks and seize the opportunities mentioned are in blue in the table above and presented in more detail in the following sections.

(1) Net Promoter Score for the Europcar brand is monitored historically as a key performance indicator. The Group's Net Promoter Score continued to trend up in 2019 to 49.62% (see Chapter 5, page 361)

4.6.2 The Group's convictions on business ethics

SHARE OUR BUSINESS ETHICS

Europcar Mobility Group has defined a set of principles that it undertook to respect daily through its 48 commitments and 12 objectives set out in its "Code of Ethics & Commitments".

The Group aims to build a relationship of trust with its customers by offering them a transparent range of products and continuously improving their satisfaction. Furthermore, the Group wants to promote business ethics across its entire value chain with its stakeholders: customers (BtoB, BtoC), suppliers, franchisees and employees. This ambition is reflected in the Group's policies and the related training and awareness-raising initiatives.

4.6.3 Group actions on business ethics

4.6.3.1 Target a high level of customer satisfaction

Europcar Mobility Group wants to ensure a high level of satisfaction by offering customers high-quality mobility products and solutions that meet the ever-changing demands of the market. Thanks to its extensive and innovative offer, the Group aims to make mobility accessible to all.

To strengthen its leadership position, the Group has also created tools and initiatives to foster "customer-company" dialogue, allowing it to tailor precise responses to customer demands and to measure and follow up on customer satisfaction.

Know, measure and improve customer satisfaction

FOSTER CUSTOMER-EUROPCAR MOBILITY GROUP DIALOGUE

Customer satisfaction is one of the central pillars of the Group's vision, which has placed the Customer-centric value at the heart of its actions. Europcar Mobility Group attaches special importance to measuring and monitoring customer satisfaction in order to continuously ensure high standards of service. The Group offers its customers many communication channels (telephone, email, FAQs, website, social media, etc.) allowing interactions and direct exchanges at every stage of the customer experience, whether before, during or after rental.

Customer requests and complaints are managed through a centralized software tool and processing procedures are formalized at the Group level, allowing it to handle the time it takes to resolve customer requests. Since 2017, the Group has reduced the times for handling complaints to a maximum of five days compared with seven days in 2016.

Most Corporate Countries belong to their local tourism, insurance or vehicle rental trade associations as a way to make progress and continuously improve their practices and services.

A GROUP CUSTOMER SATISFACTION TOOL: THE "NET PROMOTER SCORE" ★

Since 2011, the Group has deployed a program to monitor customer satisfaction, the Net Promoter Score, which uses a recognized methodology to establish a differential between the number of "promoters" and the number of "detractors" of a brand. Customers are invited to answer the question: "Would you recommend Europcar to your friends or family?" on a scale of 0 to 10, with grades below 6 corresponding to "detractors" and the grades 9 and 10 corresponding to the "promoters". The Net Promoter Score is the sum of the percentage of promoters minus the percentage of detractors. In 2019, the NPS of the Europcar brand was 58, up 1.6 point from 2018.

	2016	2017	2018	**2019**
Net Promoter Score ★	49.6	54.7	56.4	58.0 (1)

The Goldcar, InterRent and Ubeeqo brands have also implemented the NPS metrics with their customers. The Group can now consolidate its results with the harmonization of assessment tools and methods. The Group's Net Promoter Score continued to trend up in 2019 to 49.62% (see Chapter 5). A single Group performance indicator will be available as of January 1, 2020 and will enable us to compare the recommendation of our different brands using a common calculation base. This "technical" harmonization will have a negative impact the NPS of the Europcar brand.

The results and the implementation of action plans are analyzed by the Customer Engagement Department to identify and rapidly establish appropriate solutions.

(1) Net Promoter Score for the Europcar brand is monitored historically as a key performance indicator. The Group's Net Promoter Score continued to trend up in 2019 to 49.62% (see Chapter 5, page 361).

Continuously improve the offer transparency

The Group continuously seeks to simplify the transparency of its offer (general terms and conditions, insurance products, etc.) to make it easier to provide customers with answers to their questions and thus improve their overall satisfaction.

To this end, the Group has redesigned its protection offer to provide greater clarity and transparency for consumers, in particular for its Europcar brand. Since 2015, it has offered three levels of protection (Basic, Medium and Premium) covering all risks that customers may incur during their Europcar rental (damage, theft, glass breakage, etc.). The insurance products offered can cover anything from a flat tire to a full damage waiver. All vehicles rented by Europcar have third-party liability policies with recognized insurers in their market.

The Group NPS 110 program, aimed at identifying customers' main criticisms of the Europcar brand, also enables us to further improve transparency and customer satisfaction by targeting the improvements and actions needed to achieve this.

With the same goal, toward the end of 2018, Europcar Mobility Group started a process consisting in identifying and remedying all the "pain points" reported by customers of the Goldcar brand. This initiative is coordinated by a task force which is responsible for setting up corrective actions and communicating them internally and externally. Among its various actions, this Goldcar-specific task force focuses on improving the clarity of information and the transparency of the offer. Since 2015, Europcar Mobility Group has also made a number of commitments to the European commission and to national authorities responsible for enforcing consumer protection legislation created by regulation EC 2006-2004, on improving the customer experience (transparency and appropriateness of contractual terms and conditions). It has reaffirmed this process of continuous improvement of its practices each year since then.

4.6.3.2 Responsible sourcing

Favor local suppliers and sub-contractors

Purchases constitute one of the key vectors for Europcar Mobility Group to achieve its strategic objectives and in the quality of mobility solutions offered by the Group. The Group's intention is to maintain stable relationships with suppliers wherever it operates by promoting dialogue and by regularly assessing the proportion of the supplier's revenue from the Group to avoid any dependency risk.

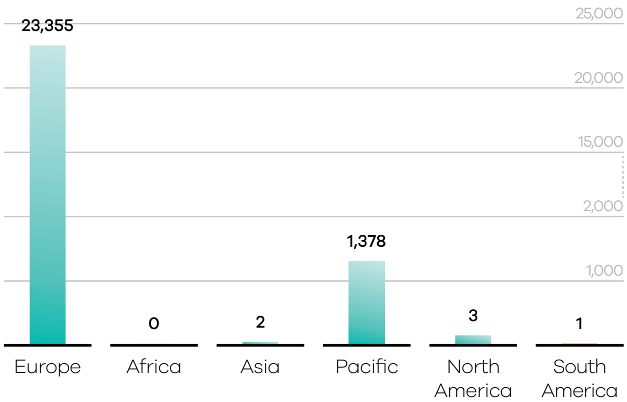
Europcar Mobility Group has organized its purchases into two broad categories. On the one hand, the Fleet management Department manages vehicle purchases from recognized manufacturers as well as the expenses related to putting them in service (registration, insurance, etc.). They are not discussed in this Chapter (see Section 1.6.6 – the Group's Fleet).

On the other hand, the Group Purchasing Department, through its network of local buyers in each of the Corporate Countries, is responsible for current purchases and meets the operational needs associated with vehicle maintenance and care in the station network. They concentrate a large portion of the potential risk factors related to Europcar Mobility Group's supply chain. A dedicated policy has been formalized for these risk factors.

In cooperation with all the buyers in the Corporate Countries, the Group has thus defined its non-fleet purchasing policy along three dimensions: "operational excellence", "Corporate Social Responsibility" via a responsible purchasing policy and "common sourcing strategy".

By the nature of its business, Europcar Mobility Group makes the vast bulk (99% of its suppliers) of its non-fleet purchases in the geographical regions where it operates, making it a major provider of local employment. Few purchases are made outside the Group's direct operations: 0.1% of the purchases are made in North and South America, 0.1% in Asia, which limits the potential for social risks.

NUMBER OF DIRECT SUPPLIERS PER GEOGRAPHICAL ZONE



Non-fleet purchases represent approximately one fourth the Group's annual consolidated revenue. There are many contracted suppliers (nearly 24,739 suppliers at December 31, 2019) and most are local, to allow the Group to ensure the smooth operations of its station network in Europe, Australia and New Zealand.

Responsible purchasing policy

The Group wants to be a creator of shared value with its commercial partners by focusing particular attention on their appreciation of the social and environmental aspects and issues in their businesses. Europcar Mobility Group is aware of the numerous regulatory and legal changes to which it must respond and takes immediate action to comply with them.

An update of the responsible purchasing policy is planned in 2020 and will be the subject of joint work by the Group Purchasing Department and CSR. The fleet will also be expanded this year. Beyond meeting its legal and regulatory obligations, the objective of this approach is to anticipate and minimize the risks that can arise in the Europcar Mobility Group value chain and to assist suppliers to move to better consideration of the CSR criteria in their practices and offers. It will be communicated to all buyers in the Corporate Countries through regular updates and its internal social network, Facebook Workplace.

The Group now systematically includes in its call for tender and contracts a clause stipulating compliance with the principles described in its Code of Ethics, which is available on the Group's website ("Code of Ethics and Commitments" : https://investors.europcar-group.com/static-files/30643bc9-7ee7-4592-92f2-072d4f1cf863). This is a set of ethical, concrete and detailed principles that define the professional behaviors expected from all Group stakeholders. Overall, the Group has defined 48 concrete commitments through these 12 objectives. This Code lists all its expectations and requirements with regard to respect for Human Rights, International Labour Organization conventions (concerning in particular the fight against forced labor, child labor and discrimination), the fight against corruption as well as the preservation of the environment. Operating in 20 countries, the Group makes compliance with local laws and regulations a prerequisite for any commercial relationship.

Finally, in 2019 the Approved Supplier List was created and the Purchasing Department will continue to expand it in 2020.

Duty of care

REGARDING THE GROUP'S SUPPLIERS

As an extension of the responsible purchasing policy, Europcar Mobility Group develops actions and initiatives to comply with its obligations in respect of the duty of care of companies (law No. 2017-399) as part of a continuous improvement process.

As part of its regulatory exercise, the mapping of purchasing risks was updated in 2019, highlighting the principal processes in place to manage them and the progress points to be implemented this year (see Section 4.2 – Principal non-financial risks and challenges of the Group).

At December 31, 2019, the number of supplier audits integrating CSR issues was negligible (covering less than 0% of the total number of suppliers); the Group plans to improve upon this in the course of 2019 ★.

In addition, the Group's purchasing policy will be revised this year in order to define a framework and procedures for evaluation of its strategic suppliers. Likewise, a review of the Purchasing to Payment (P2P) process will lead to an update of the supplier referencing procedure.

As mentioned above, the Group systematically includes the "Code of Ethics & Commitments" to tenders and supplier contracts. Suppliers are required to sign them as a guarantee that they have read it. Finally, depending on the type of service, a specific clause is included in contracts to inform suppliers of the Group's CSR requirements.

A whistle-blowing system is also being rolled out in the Group.

SUPPORT FRANCHISE NETWORK

The Group considers that it is vital to include its franchisees in its duty of care plan and to promote and apply environmental and social best practices in their activities. The ambition of Europcar Mobility Group is to make Corporate Social Responsibility a new pillar in the franchiser/franchisee relationship through specially developed awareness, training and support programs.

Henceforth, all new contracts between the Group and a franchisee include a specific clause on compliance with the commitments in the Code of Ethics & Commitments, including respect for Human Rights, the ILO Conventions, the principles of the UN Global Compact and environmental protection.

The Group Internal Audit Department has asked an external firm to conduct an annual audit of stations held by franchisees in order to ensure their compliance with the Group's rules. These are primarily operational audits and aim to ensure compliance with the rules and commercial agreements between Europcar Mobility Group and its franchisees.

The first step in the Europcar Mobility Group action plan is dedicated to raising the awareness of its franchisees to the challenges of Corporate Social Responsibility. Awareness sessions were systematically organized at Regional Franchise Conferences, attended by franchisees depending on their geographic region.

The Group also conducted a major international consultation with its franchisees to learn their expectations for Corporate Social Responsibility. The goal was to identify the main levers for improvement and the actions to be executed to do so. More than one-third of the franchisees participated and a majority of respondents stated they had already initiated a CSR policy or actions. The expectations of the franchisees from the Group essentially concerned:

- the creation of communication materials or campaigns to raise awareness in the network and with customers;
- the deployment of tools to collect and share best practices throughout the network;
- the availability of specialized training modules.

4.6.3.3 Combatting corruption

The fight against corruption is also a Group priority. This work, which is in line with the Group's compliance program, enabled Europcar Mobility Group to build a set of rules and formalize a specific organization to anticipate and effectively combat all forms of corruption. In order to facilitate their diffusion, the Group has created a dedicated intranet space for all employees, starting with its management bodies (TOP 100 managers) at the end of 2018.

In addition to the Compliance program and anti-corruption guide described above, Europcar Mobility Group oversees, through the Group Internal Audit Department, identification and fraud prevention procedures across the entire scope of its business.

These measures and the actions implemented are described in greater detail in Sections 2.7 "Ethics and Compliance Program" and 2.8.1 "General organization of internal control".

4.6.3.4 Promoting our business ethics

Europcar intends to promote business ethics in all the stages of its value chain and in all its commercial (customer, supplier, franchisee, BtoB customer) and social (employee) relationships. The Group has thus developed an "Ethics program" (Compliance program) based on a dedicated organization (composed of Compliance officers and a Compliance Committee) as well as a multi-annual action plan. These procedures are described in detail in Section 2.7- "Ethics and Compliance Program" of this Universal Registration Document.

In 2016, the Group published its commitments through the communication of its Code of Ethics & Commitments, which is available online to ensure uniformity and consistency among the practices of its employees, suppliers and franchisees and the Europcar Mobility Group's expectations regarding business ethics.

48 commitments and 12 objectives feature in this document, which formalizes the Group's requirements regarding, in particular, compliance with national and international regulations and laws, respect for human dignity and Human Rights, protection of the health and safety of its employees, preservation of the environment, protection of personal data, the fight against conflicts of interest, and support for all internal and external initiatives that promote the Group's social and environmental progress. These key principles are based on a certain number of laws and international references such as the Universal Declaration on Human Rights, the international labor conventions (Nos. 29, 87, 105 and 138, among others), the United Nations Global Compact, and the OECD directives for multinational companies, etc.

An anti-bribery guide has been prepared in addition to the "Code of Ethics & Commitments" to make all Group employees aware of anti-corruption issues.

At end-2017, a whistleblowing system was added to this program, enabling employees to anonymously report any practice that might be a violation of the law or the Group's principles. It is currently being rolled out and will be accompanied by dedicated online training modules to ensure it is properly understood and adopted by Europcar Mobility Group employees. This program enables the Group to comply with the French anti-corruption requirements of the Sapin 2 law.

The Group also takes its tax obligations very seriously, including matters relating to tax evasion.

Protection of personal data

Europcar Mobility Group has embarked upon a process to bring itself into compliance with the European General Data Protection regulation (GDPR), which has resulted in the appointment of a Group Data Protection officer and the deployment of governance and procedures to protect data. A dedicated e-learning program was launched to train Group employees on the issues at stake and associated aspects.

4.7 CROSS-REFERENCE TABLE OF SPECIFIC INFORMATION EXPECTED IN RELATION TO THE STATEMENT OF NON-FINANCIAL PERFORMANCE

The reporting indicators used in this Chapter correspond to the issues and risks identified under the law on Non-Financial Performance Reporting (DPEF – law No. 2018-898). They also allow the Group to demonstrate its commitment to the Ten Principles (Pr.) and Sustainable Development Goals (SDG) of the United Nations Global Compact relevant to Europcar Mobility Group.

	Statement of non-financial performance (SNFP)	Global Compact Principles (Pr.)/ Sustainable Development Goals (SDG)	GRI	Section
General information on Europcar			**102-1**	**6.1**
Name, legal form, location			102-2 102-3 102-4 102-5	6.1
Business model and presentation of activities	**4.1.1**		**102-2**	**4.1.1**
Products, services, brands, markets	4.1.2		102-6 102-7 102-9 102-10	1.3 1.4 1.6
Declaration of the highest executive body			**102-14**	
Corporate Social Responsibility policy			**102-15**	**4.1.2**
Materiality analysis	**4.2.1**		**102-21**	**4.2.1**
Mapping of non-financial risks	**4.2.2**			
Social consequences of the activity	**4.4**		**102-8**	**4.4**
Attract talents, develop them and support employees' career paths	4.4.3.2	SDG 4 SDG 8		
Involve employees in the Company's performance through employee shareholding	4.4.3.2			
Management of Human Resources	4.4.3.1	SDG 5 SDG 8 SDG 10		
Develop employee commitment ("Values" program)	4.4.3.2			
A labor policy to promote dialogue	4.4.3.1	SDG 5		
		SDG 8 SDG 10		
Make diversity an accelerator of the Group's transformation	4.4.3.2	SDG 5		
Social information: key performance indicators (★) and other data				
Employment				4.4.3.1
Total workforce and breakdown of employees ★			102-7 102-8 401-1	4.4.3.1
Recruitment and departures			202-2 401-1	4.4.3.2

	Statement of non-financial performance (SNFP)	Global Compact Principles (Pr.)/ Sustainable Development Goals (SDG)	GRI	Section
Compensation and change			102-35 102-36 102-38 102-39	4.4.3.1
Working time organization		Pr.4		4.4.3.1
Working time organization				4.4.3.1
Absenteeism			403-2	4.4.3.1
Employee share ownership				4.4.3.2
Portion of share capital held by employees ★	4.4.3.2			4.4.3.2
Employee Relations			402-1	4.3.2.1
Organization of labor relations		Pr.3	402-1	4.4.3.1
Overview of the collective bargaining agreements	4.4.3.1		403-4	4.4.3.1
Proportion of employees represented by the European Works Council ★	4.4.3.1			4.4.3.1
Health and safety				
Health and safety conditions at work			403-2	4.4.3.1
Summary of the agreements signed relating to health and safety at work	4.4.3.1			4.4.3.1
Work-related accidents and occupational illnesses	4.4.3.1		403-2 403-3	4.4.3.1
Frequency rate of work-related accidents ★	4.4.3.1			4.4.3.1
Training		SDG 4		4.4.3.2
Proportion of employees trained ★	4.4.3.2			
Training policies			102-27 404-2 404-3	4.4.3.2
Total number of training hours			404-1	4.4.3.2
Equal treatment		Pr.6		4.4.3.2
Measures taken to promote gender equality	4.4.3.2	SDG 5	401-3 405-1	4.4.3.2
Measures taken to promote employment and inclusion of disabled persons	4.4.3.2	SDG 10	405-1	4.4.3.2
Anti-discrimination policy	4.4.3.2	SDG 5	405-1 406-1	4.4.3.2
Promotion and respect for the provisions of the ILO's fundamental conventions		Pr.1 and 4 SDG 8		4.4.3.1
Respect for the freedom of association and right to collective bargaining			407-1	4.4.3.1
Elimination of discrimination in matters of employment and occupation		SDG 5	406-1	4.4.3.2
Elimination of forced or compulsory labor			409-1	N/A. See Note on methodology
Effective abolition of child labor			408-1	N/A. See Note on methodology

	Statement of non-financial performance (SNFP)	Global Compact Principles (Pr.)/ Sustainable Development Goals (SDG)	GRI	Section
Environmental consequences of the activity				
Propose and promote sustainable mobility offers and increase the awareness of our customers throughout their journey	4.5.4.3	SDG 11 SDG 13 SDG 17		
The Group's actions for environmental responsibility	4.5.4	SDG 6 SDG 11 SDG 13 SDG 17		
Develop responsible resource management	4.5.4.5	SDG 6 SDG 13		
Environmental information: key performance indicators (★) and other environmental data				
General Environmental Policy		Pr.7 to 9 SDG 13	102-14	4.5.4
Company organization to take environmental questions into account				4.5.4
Training and information regarding environmental protection				4.5.4.4
Resources dedicated to environmental risk and pollution prevention				4.5.4
Amount of environmental risk provisions and guarantees			201-2	4.5.4.4
Proportion of operating subsidiaries★ that have embarked upon ISO 14001 certification	4.5.4.5			4.5.4.5
Pollution and Waste Management				
Prevention, reduction or remediation measures for air, water, and soil discharges severely affecting the environment			306-3	4.5.4.5
Average age of vehicles placed on the market ★	4.5.4.1			4.5.4.1
Proportion of hybrid and electric vehicles purchased during the year ★	4.5.4.2			4.5.4.2
Number of kilometers covered by hybrid and electric vehicles during the year ★	4.5.4.3			4.5.4.3
Prevention measures, recycling and waste elimination			306-2 306-3 306-4	4.5.4.5
Taking noise pollution and any other form of pollution specific to an activity into account				N/A. See Note on metho-dology
Sustainable Use of Resources				
Water consumption and water supply depending on local constraints		SDG 6	303-1 303-3 306-1 306-3 306-5	4.5.4.5

	Statement of non-financial performance (SNFP)	Global Compact Principles (Pr.)/ Sustainable Development Goals (SDG)	GRI	Section
Consumption of raw materials and measures taken to improve the efficiency of their use			301-1 301-2	N/A. See Note on metho-dology
Energy consumption, the measures taken to improve energy efficiency and use of renewable energy			302-1 302-2 302-4 302-5	4.5.4.5
Ground use			304-1	4.5.4.5
Proportion of vehicles washed without water or movement ★				4.5.4.5
Climate change	4.5.4	SDG 11 SDG 13		4.5.4
Greenhouse gas emissions ★	4.5.2		305-1 305-2 305-3 305-5	4.5.2
Average CO_2/km vehicle emissions ★	4.5.4.1			
Adapting to the consequences of climate change				N/A. See Note on metho-dology
Protection of Biodiversity				
Measures taken to protect and increase biodiversity			304-1 304-2 304-3 304-4 306-5	N/A. See Note on metho-dology
Respect for Human Rights, combating corruption, and customer satisfaction				
Responsible purchasing policy	4.6.3.2	SDG 8		
Duty of care	4.6.3.2	SDG 8		
Promote business ethics	4.6.3.4	SDG 8		
Combat corruption	4.6.3.3	SDG 8		
Offer a broad variety of mobility solutions that are alternatives to individual car ownership	4.3.3.1	SDG 11 SDG 13		
Develop attractive offers with the best quality and safety standards				
Ensure the accessibility of our offers regardless of our customers' needs or budget	4.3.3.2 4.3.3.3	SDG 10 SDG 17		
Target a high level of customer satisfaction	4.6.3.1			
Societal information: key performance indicators (★) and other societal data				
Territorial, economic and social impacts of the Company's activity			204-1 413-1	4.4.1.2 4.6.2.1
Regarding employment and regional development			413-1	4.4.1.2 4.6.2.1

	Statement of non-financial performance (SNFP)	Global Compact Principles (Pr.)/ Sustainable Development Goals (SDG)	GRI	Section
On neighboring or local populations				4.4.1.2 4.6.2.1
Relationships maintained with persons or organizations interested in the Company's activity				
Conditions for dialog with these persons or organizations			102-21 102-43	4.6.3.1
Partnership or sponsorship initiatives			203-1	4.3.3.3 4.5.4.3
Sub-contractors and suppliers				
Taking account of social and environmental issues in the purchasing policy		Pr.1, 2 and 5 SDG 8	308-2 408-1 412-1 414-1 414-2	4.6.3.2
Involvement of sub-contractors and consideration of the suppliers' and sub-contractors' corporate social responsibility (CSR)			102-9 308-1 308-2 408-1 412-1 414-1 414-4	4.6.3.2
Proportion of suppliers audited including CSR issues ★	4.6.3.2			4.6.3.2
Fair trade practices				
Action taken to prevent corruption	4.6.3.3	Pr.10	102-16 102-17 205-1 205-2 205-3	4.6.3.3
Customer safety and protection measures			102-2 416-1	4.3.2
Combating tax evasion	4.6.3.4			4.6.3.4
Customer satisfaction				
Net Promoter Score (NPS) ★	4.6.3.1			4.6.3.1
Catalog of mobility solutions ★	4.3.3.1			4.3.3.1
Catalog of marketing offers ★	4.3.3.3			4.3.3.3

4.8 NOTE ON METHODOLOGY

Period and Scope of the CSR Reporting

The CSR Reporting period is the calendar year 2019 (from January 1, 2019 to December 31, 2019).

In this chapter, except where otherwise indicated, the 2019 data presented related to the Corporate Countries held between January 1, 2019 and December 31, 2019 excluding data for Fox Rent A Car, an American Group of companies acquired by Europcar on October 31, 2019 and excluding data for Europcar Finland and Europcar Norway, two former franchisees, acquired by Europcar on February 25, 2019.

The scope of the CSR reporting covers the Holding companies, the Shared Services Center and the operational subsidiaries: Corporate Countries (France, Germany, United Kingdom, Italy, Spain, Portugal, Belgium, Ireland, Denmark, Luxembourg, Australia and New Zealand) as well as the Goldcar, Ubeeqo and Buchbinder.

E-Car and Brunel services are included in Europcar Mobility Group United Kingdom. The activities of the Scooty brand are also excluded.

The published data are consolidated at Group level, apart from the data on workforce distribution by country. They do not include the franchisee networks.

- the scope of publication is not exhaustive for all indicators, in particular key performance indicators;
- the fleet indicators cover 88% of the vehicles purchased in 2019, with the absence of Ubeeqo and Buchbinder in particular from the reporting;
- the coverage scope of social and environmental information is specified among the Statement of Non-Financial Performance.

Organization of the CSR reporting campaign

The organization of the CSR reporting campaign is detailed in a protocol showing all the processes and methodologies of the CSR reporting campaign. This protocol was distributed to each contributor in the form of an explanatory document and presented at a kick-off meeting.

Data collection

CSR reporting is organized and coordinated by the Group Head of CSR in collaboration with the CSR correspondents of the Holding companies and the Corporate Countries. At the level of each subsidiary, data collection is managed by the responsible teams, and mainly concerns Human Resources, Operations, Fleet and Management Audit teams.

Collection tool

To collect and consolidate the data, and ensure the traceability of the data and processes, Europcar Mobility Group used Sirsa's online non-financial information collection software, Reporting 21. This software was deployed in all the entities covered by CSR Reporting and has helped around a hundred contributors to input the information for the CSR Reporting.

Audit and consolidation of the data

Internally

Data are controlled at the level of each entity by the teams responsible for reporting the information. Automatic consistency checks are carried out by the collection software and then manually by the team charged with analyzing and consolidating data at Group level: comparing data between countries, comparing against historical data, localized control ratios (such as on the price of resources). Checks are also carried out by both head office teams and by service provider SIRSA, throughout the campaign and at each key stage. This verification work entails numerous exchanges with the Corporate Countries to ensure the consistency and robustness of the information communicated.

Verification of the data by an independent third party organization

Mazars, one of the Company's Statutory Auditors, has been appointed as Independent Third-Party Entity by Europcar Mobility Group to issue a report on the Statement of Non-Financial Performance published in the management report presented in this Universal Registration Document pursuant to the law on Non-Financial Performance Statement (DPEF in French) – law No. 2018-898.

Choice of indicators

To produce its CSR Reporting, Europcar Mobility Group defined a list of indicators on the basis of its main risks and challenges.

This list contains quantitative and qualitative indicators, broken down into five major categories: Environment, Fleet, Social, Societal and Supply Chain. This enables not only the Group's material issues in terms of compliance and dialog with stakeholders to be covered, but also the baseline information to be collected in order to define and steer a CSR strategy.

With respect to combating corruption, the key performance indicator is not available for 2018 and 2019 as a result of a high employee turnover, which has made it difficult to ensure the program runs smoothly. Nevertheless, a positive step has been taken within Europcar Mobility Group with the appointment of a Group Compliance officer at the end of 2019 to implement a multi-year compliance program.

Coverage rate

Given the decentralized structure of the Group (more than 1,900 stations in eighteen Corporate Countries), data collection and standardization is a complex exercise.

To consolidate the data and communicate unbiased information, the Group has introduced the concept of coverage rate in its CSR Reporting. This concept enables data to be consolidated solely across the scope where they are available, indicator by indicator, and allows entities (mainly stations) to be excluded from an indicator where the data is not available or not homogenous with the rest of the Group.

- The coverage rate is calculated for all the indicators in the social, environment and supply chain categories based on the reference indicators:
  - permanent and non-permanent workforce as at December 31, 2019 for the social indicator,
  - total number of check-outs during the year for the environment indicator,
  - total purchasing volume made during the year for the supply chain category.

For each indicator in these categories, the contributors provided the scope actually covered by the indicator's value, and the value consolidated at Group level is therefore shown with the exact consolidated coverage rate for each indicator.

For the chapter as a whole, coverage of social and environmental are detailed in the statement of non-financial performance.

Notes on methodology and main limiting factors

The entities included in the scope of the CSR Reporting are in countries with substantially different laws and practices.

The choice of indicators and their definitions are discussed upstream with the different contributors from the various entities to achieve indicators that are as closely tailored as possible to circumstances on the ground.

Notes on the definitions of certain indicators

- Unlike the productivity data monitored by the Group, the workforce in the CSR reporting includes long-term leave.
- The absenteeism rate excludes maternity and paternity leave.
- The energy and water indicators do not include consumption for vehicle washing by external service providers.
- The training indicators include employees who left during the year.

Notes on the greenhouse gas emissions footprint

The GHG emission assessment is an update of the assessment drawn up by specialist consultancy firm Quantis and now has been automated into Reporting 21. It was based on available data collected during the 2019 CSR reporting campaign. No extrapolation has been performed.

Two sources of emissions from the 2016 carbon balance were re-used for this update, namely those linked to "Business trips" and "Non-fleet purchases". The impact on the results however is minimal (representing less than 3% of the total carbon balance).

For CO_2 emissions, the Group's internal consumption of energy (mainly electricity and gas) and fuel (diesel and gasoline) were considered. Carbon emission factors specific to each country were applied for electricity consumption, and identical factors were applied for other items. When available, the emission factors used come from the ADEME (French Environment and Energy Management Agency) database. The other emission factors come from CO_2 Emissions from Fuel Combustion, © OECD/IEA, 2015 (marginal).

In the absence of details on the type of renewable energies used by the Group, the most penalizing emissions factor among the renewable energy emissions factors has been used, namely the emissions factor related to solar power production.

Notes on the exclusion of certain data required by the law on the statement of non-financial performance

- In view of its activity – renting vehicles and providing mobility solutions – Europcar Mobility Group has excluded the indicators and data relating to:
  - the circular economy;
  - fight against food waste;
  - fight against food insecurity, respect for animal welfare, responsible, fair and sustainable food.

4.9 REPORT BY THE INDEPENDENT THIRD PARTY BODY

Report by the independent third party body on the consolidated statement of non-financial performance included in the management report

Year ended December 31, 2019

To the Shareholders,

In our capacity as third-party independent entity, a member of the Mazars network, and auditor of the financial statements of Europcar Mobility Group, accredited by COFRAC Inspection under number 3-1058 (scope of accreditation available on the website www.cofrac.fr), we are submitting to you our report on the Statement of Non-Financial Performance for the year ended December 31, 2019 (hereinafter the "Statement"), presented in the management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Company's responsibility

The Management Board is responsible for issuing a Statement in accordance with the legal and regulatory provisions that includes a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, including key performance indicators.

The Statement was prepared by applying the Company's procedures (hereinafter the "Guidelines"), the significant elements of which are presented in the management report or available on request at the Company's head office.

Independence and quality control

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code and the profession's Code of Ethics. Furthermore, we have implemented a quality control system that includes documented policies and procedures aimed at ensuring compliance with ethical rules, professional standards and applicable regulations and legislation.

Responsibility of the Independent Third Party

Based on our work, our role is to formulate a reasoned opinion expressing moderate assurance as to:

- the Statement's compliance with the provisions of Article R. 225-105 of the French Commercial Code;
- the truthfulness and fairness of the information provided in application of paragraph 3 of Sections I and of Section II of Article R. 225-105 of the French Commercial Code, namely the results of the policies, including key performance indicators, and the actions relating to the main risks (hereinafter the "Information").

However, we are not responsible for giving an opinion on:

- the Company's compliance with any other applicable legal and regulatory provisions, particularly those concerning the combating of corruption and tax evasion;
- the conformity of products and services to applicable regulations.

Nature and scope of our work

Our work as described hereunder was carried out in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, in accordance with the professional standards of the National Association of Statutory Auditors regarding this type of assignment, as well as with the ISAE 3000 international standard [(1)].

- we carried out checks allowing us to assess the Statement's compliance with the legal and regulatory provisions and the truthfulness and fairness of the Information:
- we examined the business activity of the companies in the consolidation scope, the description of the main social and environmental risks connected to this activity and its impact on the respect of Human Rights, combating corruption and tax evasion, and the ensuing policies and their results;
- we assessed the appropriateness of the Guidelines regarding their relevance, exhaustiveness, reliability, neutrality and comprehensibility, taking into account, where applicable, best practices in the sector;
- we checked to see that the Statement covers each category of information provided for in Section III of Article L. 225-102-1 on social and environmental matters as well as respect for Human Rights and the combating of corruption and tax evasion;
- we also checked that there is an explanation in the Statement on why the information required under the 2nd sub-paragraph of III of Article L. 225-102-1 is absent;
- we verified that the Statement presents the business model and the main risks related to the activity of all the entities included within the scope of consolidation, including, whenever relevant and proportionate, the risks engendered by business relations, products or services as well as the policies, actions and results, including key performance indicators;

(1) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

- we have consulted supporting documents and conducted interviews to:
  - assess the selection and validation process for the main risks and as well as the consistency of the results including key performance indicators used with regard to the main risks and policies presented,
  - corroborate the qualitative information (actions and results) that we considered the most important presented in Appendix 1. For certain risks (climate change and air emissions, environmental footprint and regulatory compliance, human resources and talent management), our work was carried out at the level of the consolidating entity and a selection of entities, for other risks, work was carried out at the level of the consolidating entity;
- we verified that the Statement covers the consolidated scope, i.e. all the companies included in the scope of consolidation in compliance with Article L. 233-16 of the French Commercial Code, with the limits specified in the Statement;
- we inquired as to the existence of procedures for internal control and risk management implemented by the Company and assessed the collection process implemented aimed at ensuring the completeness and veracity of the Information;
- for the key performance indicators and the other quantitative results that we considered (detailed in Appendix 1) to be the most significant, we implemented:
  - analytical procedures consisting in verifying the correct consolidation of collected data as well as the consistency of changes in them,
  - detailed tests based on sampling, which consisted of verifying the proper application of definitions and procedures, and in reconciling data with supporting documents. This work was conducted with a selection of contributing entities [1] (detailed in Appendix 1), covering between 32% and 100% of the consolidated data of the key performance indicators and results selected for these tests;
- we assessed the overall consistency of the Statement in relation to our knowledge of the Company.

We consider that the work which we performed using our professional judgment allows us to formulate a conclusion of moderate assurance; a higher level of assurance would have required more extensive verification work.

Means and resources

Our work required the skills of 7 people and occurred from October 2019 to February 2020 with a 4 week duration.

We conducted three interviews with the persons responsible for preparing the Statement, notably from the Communication & CSR.

Conclusion

In the course of our work we observed that:

- for Germany, which accounts for 13% of the Group's workforce, the number of hours of training are not backed up by supporting documents;
- for Spain, which accounts for 6% of the Group's workforce, the traceability of information regarding the number of hires and departures is not well formalized;
- for Goldcar, which accounts for 18% of the total number of check-outs, the calculation methodology of average CO_2 emissions per vehicle is not well formalized. That could likely call into question the fair presentation of the indicator.

Based on our work, with the exception of the elements described above, we did not observe any significant misstatement likely to call into question the Statement's conformity with the applicable regulatory provisions or the true and fair presentation of the Information, taken as a whole, in accordance with the Guidelines.

Comments

Without calling into question the conclusion expressed above, and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comments:

- in the context of the measures for combating corruption, the organization, responsibilities, actions and associated performance indicators remain to be implemented over the coming year;
- The scope of publication is not homogeneous according to the key performance indicators, due to the exclusion of certain site or country data, impacting in particular the comparability of data. This is notably the case for Buchbinder, for which certain indicators are not available. The scope of publication of the key social performance indicators covers between 82% and 100% of the Group's total workforce at December 31, 2019. The scope of the key environmental performance indicators covers between 86% and 100% of the total number of check-outs. The scope of the key fleet performance indicators covers 88% of the vehicles purchased in 2019. Scope differences are specified indicator by indicator in the Declaration;
- Europcar Mobility Group has pursued its work on its carbon trajectory in response to the risks posed by climate change and air emissions. The Group has notably joined in 2019 the Science-Based Targets initiative and has not yet set medium- and long-term objectives for reducing GHG emissions.

Paris-La Défense, on February 25, 2020

The Independent Third Party

Mazars S.A.S.

Isabelle Massa Partner	Edwige REY Partner in CSR & Sustainable Development

(1) See Appendix 1.

APPENDIX 1: MOST RELEVANT INFORMATION

Qualitative information (initiatives and results) related to main risks

- climate change and air emissions;
- environmental footprint and regulatory compliance;
- human resources and Talent management;
- corporate culture and buy-in of the Group's strategy;
- suppliers and supply chain;
- combatting corruption and fraud.

Quantitative indicators including key performance indicators

Themes	Key performance indicators and other information	Audited scope
Fleet	Proportion of hybrid and electric vehicles purchased during the year	France United Kingdom Spain Goldcar
	Number of kilometers covered by hybrid and electric vehicles during the year	
	Average CO_2 emissions per km (sold during the year)	
	Proportion of vehicles washed without no water and no move	Group
Environment	Greenhouse Gas emissions generated by energy fuel consumption	France United Kingdom Spain Goldcar
	Number of Corporate Countries that have initiated ISO 14001 certification	Group
HR	Total workforce and breakdown of M/F employees	Germany Spain Goldcar
	Hires and departures	
	Proportion of employees represented by the European Works Council	
	Frequency rate of work-related accidents	
	Proportion of employees represented by the European Works Council	Group
Societal	Proportion of suppliers audited including CSR issues	Group
	Number of employees sensitized/trained on combating corruption and fraud	Group

5 CORPORATE GOVERNANCE

5

5.1 MANAGEMENT AND SUPERVISORY BODIES

On March 9, 2015, the Company changed its legal form to become a public limited company (société anonyme) with a Management Board and a Supervisory Board. This involves the separation of the management and executive functions, exercised by the Management Board, from responsibility for oversight, exercised by the Supervisory Board, which oversees the Management Board's running of the Company. Separating functions in this way ensures an effective balance between the powers of the executive and oversight bodies, in line with the principles of good corporate governance. Prior to this date, the Company was a public limited company with a Board of Directors.

5.1.1 Management Board

Changes in 2019-2020

The main changes made to the Management Board during fiscal year 2019 and up to the date of this Universal Registration Document are as follows:

- during its meeting of January 31, 2019, the Supervisory Board upon the recommendation of the Nominations and Compensation Committee decided to appoint Mr. Albéric Chopelin as member of the Company's Management Board for a term of four years, effective from when he joined the Group, i.e., as from April 15, 2019;
- Mr. Olivier Baldassari, Director of Countries and Operations was appointed member of the Management Board for a term of four years effective January 1, 2019, by decision of the Company's Supervisory Board dated December 21, 2018, upon the recommendation of the Compensation and Nominations Committee;
- the term of office as member of the Management Board of Ms. Caroline Parot, also Chairwoman of the Management Board, expired on March 8, 2019. On December 21, 2018, the Supervisory Board, upon the recommendation of the Nominations and Compensation Committee, decided to renew her term of office for a period of four years, with effect from March 8, 2019;
- the term of office as member of the Management Board of Mr. Fabrizio Ruggiero expired on March 8, 2019. On December 21, 2018, the Supervisory Board, upon the recommendation of the Nominations and Compensation Committee, decided to renew his term of office for a period of four years, with effect from March 8, 2019.

Composition of the Management Board

The tables below show the composition of the Management Board as of the date of this Universal Registration Document and the main positions and offices held by the members of the Management Board outside the Company (both inside and outside the Group) during the last five years.

Business address:
Europcar Mobility Group S.A.
13 *ter*, boulevard Berthier 75017 Paris

Age and nationality:
48 years old
French

Date first appointed:
09/03/2015

Date first appointed as Chairwoman of the Management Board:
11/23/2016

Date term of office ends:
03/08/2023 (2)

Number of Company shares held:
149,057 ordinary shares

MS. CAROLINE PAROT

Chairwoman of the Management Board

Positions and offices held

Positions and offices currently held in companies controlled (1) by Europcar Mobility Group

- Chairwoman of Europcar Services, Unipessoal, Lda

Positions and offices currently held in companies not controlled (1) by Europcar Mobility Group

- Member of the Board of Directors and Chairwoman of the Audit and Financing Committee of Ingenico

Other positions and offices held over the last five years

- Director of Car2go Europe GmbH

Management experience

- Caroline Parot joined the Group in 2011, serving initially as Group management controller (2011-2012) before taking on the role of Chief Financial officer in March 2012. She served as Deputy CEO, Finance from May 20, 2015, then Deputy CEO from July 22, 2016, before resigning from this role when she was appointed Chairwoman of the Management Board on November 23, 2016.
- Previously, she had occupied the positions of Group management controller (2009-2011) and member of the Executive Committee (2010-2011) with the Technicolor Group, and in particular was in charge of restructuring Thomson-Technicolor's debt.
- She also served as Technicolor's Chief Financial officer for the Technology sector (2008-2009) and as controller in the Department of Intellectual Property and License Management (2005-2008).
- Until 2005, she was an auditor with Ernst & Young, where she began her career in 1995.
- Ms. Parot holds a DEA in Mathematical Economics from the Panthéon-Sorbonne University and a Master's in Finance from the École Supérieure de Commerce de Paris. She also holds a DESCF (an accounting and financial diploma).

(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.
(2) Ms. Caroline Parot's term of office as member and Chairwoman of the Management Board was renewed by the Supervisory Board at its meeting of December 21, 2018 for a term of four years starting March 8, 2019.

Business address:
Europcar Mobility Group S.A.
13 *ter*, boulevard Berthier 75017 Paris

Age and nationality:
50 years old
Italian

Date first appointed:
03/09/2015

Date term of office ends:
03/08/2023 (2)

Number of Company shares held:
71,136 ordinary shares

MR. FABRIZIO RUGGIERO

Group deputy Chief Executive Officer – Head of business units – Member of the Management Board

Positions and offices held

Positions and offices currently held in companies controlled (1) by Europcar Mobility Group

- Sole Director of Europcar Lab Italy Srl
- Director of Europcar Italia S.p.A.
- Director of Go-Car Carsharing Limited

Positions and offices currently held in companies not controlled (1) by Europcar Mobility Group

- None

Other positions and offices held over the last five years

- President of ANIASA – National Association for Companies operating in Car & Van Rental and Automotive services
- Director of Wanderio S.p.A.

Management experience

- Fabrizio Ruggiero joined the Europcar Mobility Group in May 2011 and has served as Managing Director of Europcar Italia S.p.A. and as Head of Mobility Solutions for the Group.
- From 2007 to 2011, he was General Manager of the Italian company Leasys, a company controlled by Fiat Group Automobiles and Crédit Agricole and a leader in "long-term commercial" rentals in Italy.
- Also at Leasys, he served as Director of Sales and Marketing from 2005 to 2007 and as Director of Operations from 2004 to 2005. Mr. Ruggiero had previously been a manager of Bain & Company Italy (Rome office) from 2000 to 2004 and a consultant with Accenture (Rome office) from 1997 to 2000.
- He holds a Master's in Business Management from the MIP Politecnico di Milano (1999) and a management diploma from the Università degli Studi di Roma (1995).

(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.
(2) Mr. Fabrizio Ruggiero's term of office as member of the Management Board was renewed by the Supervisory Board at its meeting of December 21, 2018 for a term of four years starting March 8, 2019.

Business address:
Europcar Mobility Group S.A.
13 *ter*, boulevard Berthier 75017 Paris

Age and nationality:
56 years old
French

Date first appointed:
12/21/2018;
effective as 01/01/2019

Date term of office ends:
01/01/2023

Number of Company shares held:
None

MR. OLIVIER BALDASSARI

Chief countries and operations officer – Member of the Management Board

Positions and offices held

Positions and offices currently held in companies controlled [(1)] by Europcar Mobility Group

- Member and Chairman of the Supervisory Board of Europcar Autovermietung GmbH
- Managing Director of Bayernmobile GmbH, Buchbinder Holding GmbH, Car & Fly GmbH, Carpartner Nord GmbH, Charterline Fuhrpark Service GmbH, Megadrive Autovermietung GmbH, Ratisbona Consulting GmbH, Robben & Wientjes Autovermietung GmbH, Terstappen Autovermietung GmbH, ABC Autonoleggio S.R.L. and A.Klees Slovakia, s.r.o.
- Director of Executive Trust Limited and Europcar UK Limited

Positions and offices currently held in companies not controlled [(1)] by Europcar Mobility Group

- None

Other positions and offices held over the last five years

- Director of Rexel (USA) Inc.
- Director of Vantage Electrical Group, Inc.

Management experience

- Olivier Baldassari joined the Group in January 2019 as Chief Countries and Operations officer and member of the Company's Management Board.
- Prior to that, he was Vice-President Operations and Logistics for the USA at Rexel.
- From 2011 to 2016, he was Operations Director for France and Southern Europe in the same company and from 2007 to 2011 he was the Group's IT Director.
- From 2005 to 2007, he was Executive Director in charge of Global Operations at Delphi Corporation, and from 2003 to 2005 IT Director for Europe, the Middle East and Africa at the same company.
- Prior to that, he was IT Director (2000-2003), Program Director (1998-2000), and Logistics Director (1995-1998) for the Smurfit Kappa group.
- He began his career as a consultant at Andersen Consulting (1987-1991), then as a production manager at Vallourec (1992-1995).
- Olivier Baldassari has a Master's in Science from the École des Mines de Paris (1986) and an MBA from the INSEAD (1992).

(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.

Business address:
Europcar Mobility Group S.A.
13 ter, boulevard Berthier 75017 Paris

Age and nationality:
43 years old
French

Date first appointed:
01/31/2019;
effective as of 4/15/2019

Date term of office ends:
04/15/2023

Number of Company shares held:
None

MR. ALBÉRIC CHOPELIN

Chief commercial and customer officer – Member of the Management Board

Positions and offices held

Positions and offices currently held in companies controlled [(1)] by Europcar Mobility Group

- None

Positions and offices currently held in companies not controlled [(1)] by Europcar Mobility Group

- None

Other positions and offices held over the last five years

- Global Chief Sales and Marketing officer of PSA
- Chief Executive Officer of PSA Deutschland GmbH
- Chief Executive Officer of Citroën Deutschland GmbH
- Chief Executive Officer of Peugeot Deutschland GmbH
- Director of Peugeot Suisse SA

Management experience

- Albéric Chopelin joined the Group in April 2019 as Director of Sales and Customer Accounts and member of the Company's Management Board.
- Since 2018, he has reported to the President of the PSA Group as Chief Global Sales and Marketing officer for the Peugeot, Citroën, DS Automobiles, Opel, Vauxhall and Free2Move brands.
- Within the PSA Group, he has been Senior Vice-President since 2011 and has held successive positions: Managing Director of Peugeot Slovenia (2009-2011), Managing Director of Peugeot Netherlands (2011), CEO of PSA Benelux (2011-2013), CEO Peugeot of Peugeot Central & Northern Europe (2013-2014) and CEO of PSA Germany, (2014-2018).
- Before joining PSA, Albéric Chopelin worked for the BMW Group as Regional Director (2007-2009). From 2001 to 2007, he worked for the Ford Motor Company Group, initially as Regional Manager (2001-2004) then as Agents Network Director (2004-2007).
- He began his career in France as a Marketing manager of the BMW Group before moving on to join the HBR car distribution group as Chief Commercial and Customer officer.
- Albéric Chopelin holds a Master's degree in Management and Commerce from EM Lyon (1999) and completed an Executive Education MBA program at HEC Paris (2009).

(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.

5.1.2 Supervisory Board

The table below shows changes made to the Supervisory Board and its committees during fiscal year 2019 and up to the publication date of this Universal Registration Document.

Effective date	Change
Apr 26, 2019	Renewal of Mr. Jean-Paul Bailly's term of office as member of the Supervisory Board
Apr 26, 2019	Renewal of Mr. Patrick Sayer's term of office as member of the Supervisory Board
Apr 26, 2019	Renewal of Mr. Sanford Miller's term of office as member of the Supervisory Board

5.1.2.1 Composition of the Supervisory Board

The table below shows the composition of the Supervisory Board as of the date of this Universal Registration Document and the main positions and offices held by the members of the Supervisory Board outside the Company (both inside and outside the Group) during the last five years.

Business address:
38 rue Gay-Lussac
75005 Paris

Age and nationality:
73 years old
French

Date first appointed:
06/08/2015

Date term of office ends:
Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2022

Number of Company shares held:
500 ordinary shares

MR. JEAN-PAUL BAILLY

Chairman of the Supervisory Board – Chairman of the Strategic Committee – Independent member

Positions and offices held

Positions and offices currently held in companies not controlled (1) by Europcar Mobility Group

- Director and member of the Audit and Risk Committee and Chairman of the Investment Committee of Edenred (2)

Other positions and offices held over the last five years

- Director and member of the Audit Committee and Chairman of the Governance and CSR Committee of Accor Hotels (2)

Management experience

- Jean-Paul Bailly has devoted his entire career to public service, by participating in the management and running of two major public companies, the RATP and then La Poste.
- He started his career in 1970 at the Régie Autonome des Transports Parisiens (RATP). In 1978, he became head of Coopération Technique Française in Mexico.
- He joined RATP again in 1982, where he was notably Director of Bus Rolling Equipment, Director of the Metro and RER and Director of Human Resources. In 1990, he was appointed Deputy CEO and then Chairman and CEO from 1994 to 2002.
- He was Chairman and CEO of La Poste from 2002 to 2006, and then Chairman of the Supervisory Board of La Banque Postale from 2006 to 2013. He has served as its Honorary Chairman since October 2013.
- He has also been President of Entreprise et Personnel, Vice-President of Confrontations Europe, Chairman of ANVIE and member of the Conseil Économique, Social et Environnemental from 1995 to 2015.
- He sits on the Board of Directors of the St. Joseph's hospital.
- Jean-Paul Bailly is a graduate of the École Polytechnique and MIT. He is an officer of the French Legion of Honor and a Commander of the French National Order of Merit.

(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.
(2) French listed company.

Business address:
49 *bis*, route de Montesson
78110 Le Vésinet

Age and nationality:
63 years old
French

Date first appointed:
06/08/2015

Date term of office ends:
Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2021

Number of Company shares held:
3,500 ordinary shares

MR. PASCAL BAZIN

Vice-Chairman of the Supervisory Board – Chairman of the compensation and nominations Committee and Member of the Audit Committee – Independent member

Positions and offices held

Positions and offices currently held in companies not controlled [1] by Europcar Mobility Group

- Chairman of PB Consulting

Other positions and offices held over the last five years

- Director of Belvédère SA [2]
- Director of Darty Plc
- Director of Belron SA
- Director of d'Alcopa NV SA
- Member of the Board of Modacin France.

Management experience

- Pascal Bazin was, from June 2014 until the transformation of the Company's corporate structure to a public limited company with a Management Board and a Supervisory Board, a representative of PB Consulting on the Board of Directors of the Company.
- Pascal Bazin was founder and Chairman of PB Consulting, a consulting firm specialized in professional and strategic coaching.
- In recent years, he was a Director of companies where customer experience and digital transformation have been at the heart of their strategic orientations.
- Pascal Bazin was Managing Director (Directeur Général) of Avis Europe Plc from January 2008 to December 2011, where he successfully managed the Company's recovery and led the development of the Group towards new markets such as China and towards new mobility solutions such as car sharing. He left his position at the end of 2011, following the transfer of his activity to Avis Budget group, Inc.
- He had joined Avis Europe in 2005 after leaving Redcats, the third largest direct selling group in the world, where he was Managing Director (Directeur Général) of the Specialized Brands division (division des marques spécialisées) and Vice-President of Development/Strategy.
- Among his previous positions, he was Managing Director (Directeur Général) of many divisions of the cosmetic group Yves Rocher in Southern Europe and North America.
- He started his career in the management consulting firm Peat Marwick Mitchell.
- Pascal Bazin is a graduate of France's École Polytechnique.

(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.
(2) French listed company.

Business address:
143, avenue
Charles de Gaulle
92200 Neuilly-sur-Seine

Age and nationality:
62 years old
French

Date first appointed:
02/24/2015

Date term of office ends:
Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2022

Number of Company shares held:
87,460 ordinary shares

MR. PATRICK SAYER

Member of the Supervisory Board – Member of the Strategic Committee

Positions and offices held

Positions and offices currently held in companies not controlled [1] by Europcar Mobility Group

- Member of the Board of Directors of AccorHotels and Valeo [2]
- Member of the Supervisory Board and Audit Committee of Grand Port Maritime de Marseille
- Member of the Board of Directors of I-Pulse (USA)
- Chairman of Augusta, CarryCo Capital 1, CarryCo Croissance and CarryCo Croissance 2
- Member of the Board of Directors of Tech Data Corporation (USA) [3]
- Member of the Supervisory Board and Financial Committee of Eurazeo SE [2]

Other positions and offices held over the last five years

- Chairman of the Management Board of Eurazeo SE [2]
- Manager of Investco 3d Bingen (non-trading company)
- Chairman of the Board of Directors and member of the Board of Directors of Holdelis)
- Vice-Chairman of the Supervisory Board and member of the Board of Directors of Rexel [2]
- Member of the Supervisory Committee of Foncia Holding
- Member of the Advisory Board of APCOA Parking Holdings GmBH (Germany)
- Chairman, Vice-Chairman and member of the Supervisory Board of ANF Immobilier [2]
- Chairman of the Supervisory Board of Europcar Mobility Group
- Member of the Board of Directors of Colyzeo Investment Advisors (UK), Edenred, Gruppo Banca Leonardo (Italy), Moncler Srl and Sportswear Industriels Srl
- President of Eurazeo Capital Investissement, Legendre Holding 25 and Legendre Holding 26
- Managing Director of Legendre Holding 19

Management experience

- Patrick Sayer is Chairman of Augusta, a family-run investment firm which focuses its investments on three special segments; new technologies, luxury and real estate.
- Patrick Sayer was Chief Executive Officer of Eurazeo, a leading listed investment company in Europe, from 2002 to 2018. He became a member of the Eurazeo Supervisory Board in 2018. After acquiring equity investments in Rhône Capital and Idinvest, Eurazeo had assets of nearly €20 billion under direct and indirect management.
- Patrick Sayer was previously Managing Partner of Lazard Frères and Cie in Paris which he joined in1982. He then moved to New York to become Managing Director of Lazard Frères & Co and Global Head of Media and Technology. Mr. Sayer's private equity experience dates to the creation of Fonds Partenaires in which he participated from 1989 to 1993.
- He sits on the Board of Directors of Europcar, I-Pulse and Tech Data (United States). Former Chairman (2006-2007) of the French Venture Capital Association (AFIC), member of the Board of Directors of the Paris Musée des Arts Décoratifs, Patrick Sayer is a founding member of the Club des Juristes and has been a consular judge at the Paris Commercial Court. He teaches finance (Master 225) at the University of Paris-Dauphine.
- Mr. Sayer is a graduate of the École Polytechnique (1980) and of the École des Mines de Paris (1982). He also graduated from the Centre de Formation des Analystes Financiers, where he also worked as a lecturer.
- Patrick Sayer is French and speaks French and English.

(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.
(2) French listed company.
(3) Foreign listed company.

Business address:
Eurazeo SE
1, rue Georges Berger
75017 Paris

Date first appointed:
02/24/2015

Age and nationality:
63 years old
French

Date term of office ends:
Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2020

Number of Company shares held:
6,000 ordinary shares

MR. PHILIPPE AUDOUIN

Member of the Supervisory Board – Member of the Audit Committee and Member of the Strategic Committee

Positions and offices held

Positions and offices currently held in companies not controlled [1] by Europcar Mobility Group

- Member of the Management Board and General CFO of Eurazeo SE [2]
- Chairman and Member of the Supervisory Board of Eurazeo PME
- Chairman of the Group IES Supervisory Committee
- Chairman of Eurazeo Patrimoine, Legendre Holding 19, Legendre Holding 26, Legendre Holding 27, Legendre Holding 29, Legendre Holding 30, Legendre Holding 34, Legendre Holding 35, Legendre Holding 36, Legendre Holding 43, Legendre Holding 44, Legendre Holding 51, Legendre Holding 59, Legendre Holding 65, Legendre Holding 72, Legendre Holding 74, Legendre Holding 75, Legendre Holding 76, Legendre Holding 77, Legendre Holding 78, Legendre Holding 79, LH Adjust, LH APCOA, LH BackMarket, LH Bandier, LH Content Square, LH CPK, LH Doctolib, LH Emerige, LH GP, LH Grandir, LH Iberchem, LH Mano, LH Meero, LH Nest, LH Open Road, LH Payfit, LH PMG, LH Q Tonic, LH Reden 2020, LH Seqens, LH Vestiaire Collective and LH WS
- CEO of Legendre Holding 23, Legendre Holding 25, CarryCo Capital 1 and CarryCo Croissance, CarryCo Brands, CarryCo Capital 2 and CarryCo Croissance 3
- Vice-Chairman of Alpine NewCo, Inc. (USA)
- Chief Executive of Eurazeo Services Lux (Luxembourg)
- Permanent representative of Eurazeo on the Board of Directors of SFGI

Other positions and offices held over the last five years

- Director of Europcar Mobility Group
- Member of the Supervisory Board of ANF Immobilier [2] and Elis [2]
- Chief Executive Officer of Legendre Holding 54, Legendre Holding 55, La Mothe, Eurazeo Capital Investissement and Eureka Participation
- Chairman of CPK, CPK Manco, EP Aubervilliers, Legendre Holding 21, Legendre Holding 41Ray France Investment, Seqens Group Bidco and Seqens Group Holding
- Managing Director of Perpetuum MEP Verwaltung GmbH (Germany)

Management experience

- Philippe Audouin was a Director of the Company from 2006 until the change in the Company's corporate governance structure to a public limited company with a Management Board and a Supervisory Board.
- He spent the first ten years of his career creating and developing his own business. After selling that business, he served as CFO and legal representative ("Prokurist") of the first joint venture between France Telecom and Deutsche Telekom in Germany from 1992 to 1996.
- From 1996 to 2000, he served as Financial, Human Resources and Administrative Director of France Telecom's Multimedia division. He was also a member of the Supervisory Board of PagesJaunes. From April 2000 to February 2002, he worked for the Arnault group as CFO of Europ@Web.
- He also taught for 5 years as a lecturer then a senior lecturer in the 3rd year at HEC ("entrepreneurs" option).
- He joined Eurazeo in 2002 as Administrative and Financial Director and was appointed to its Management Board in March 2006 and then appointed General CFO in 2018.
- He is and the Vice-Chairman of the Association Nationale des Dirigeants Finance-Gestion (National Association of Finance and Management Executives) (DFCG).
- Mr. Audouin is a graduate of the École des Hautes Études Commerciales (HEC).

(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.
(2) French listed company.

Business address:
Eurazeo SE
1, rue Georges Berger
75017 Paris

Age and nationality:
37 years old
French

Date first appointed:
07/24/2017

Date term of office ends:
Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2019

Number of Company shares held:
500 ordinary shares [3]

MS. AMANDINE AYREM

Member of the Supervisory Board

Positions and offices held

Positions and offices currently held in companies not controlled [1] by Europcar Mobility Group

- Principal of Eurazeo SE [2]
- Member of the Supervisory Committee of CPK
- Director of Fragrance Spanish Topco SL (Spain)
- Member of the Supervisory Board of Dorc TopCo B.V. (Netherlands)

Other positions and offices held over the last five years

- None

Management experience

- From 2007 to 2010, Amandine Ayrem began her career in investment banking at Deutsche Bank in Paris. She advised on various M&A transactions for European industrial companies and investment funds.
- Amandine Ayrem joined Eurazeo in 2010 with responsibilities including initiating or overseeing investments in Europcar, Foncia, CPK, Les Petits Chaperons Rouges, Iberchem and DORC.
- Amandine Ayrem is a graduate of HEC Paris and Columbia Business School.

(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.
(2) French listed company.
(3) Stock loan granted by Eurazeo.

Business address:
Eurazeo North America Inc.
745 Fifth Avenue
10151 New York, USA

Age and nationality:
38 years old
French

Date first appointed:
02/24/2015

Date term of office ends:
Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2021

Number of Company shares held:
500 ordinary shares [3]

MR. ÉRIC SCHAEFER

Member of the Supervisory Board – Member of the nominations and compensation Committee

Positions and offices held

Positions and offices currently held in companies not controlled [1] by Europcar Mobility Group

- Managing Director of Eurazeo SE [2]
- Managing Director of Eurazeo North America Inc. (USA)
- Member of the Supervisory Committee of CPK
- Secretary of EZ Open Road Blocker Inc. (USA)
- Vice-President of Open Road Holding LLC (USA)
- Member of the Board of Directors of Ez Elemica Holdings LLC (USA), Open Road Parent LLC (USA) and Trader Interactive LLC (USA)

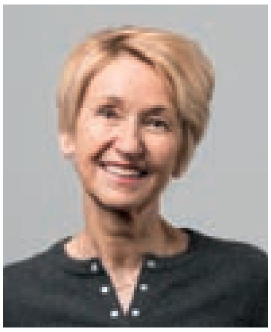
Other positions and offices held over the last five years

- Member of the Supervisory Board of Elis [2]
- Member of the Supervisory Board of AX
- Permanent representative of Eurazeo on the Board of Directors of Europcar Mobility Group
- Member of the Supervisory Board of Asmodée Holding Member of the Board of Directors of Ez Elemica Intermediate Inc. (USA) and of Ez Elemica Merger Sub Inc (USA)
- Secretary of Ez Elemica Holdings Inc

Management experience

- Éric Schaefer was a Director of Europcar Mobility Group from January 2013 to June 2014, then Eurazeo representative on Europcar Mobility Group Board of Directors from October 2014 until the change in the Company's corporate governance structure to a public limited company with a Management Board and a Supervisory Board.
- Éric Schaefer is Managing Director of Eurazeo Capital (New York). He is responsible for sourcing and for making investments, as well as monitoring the performance of the companies in the Eurazeo portfolio.
- Since his arrival at Eurazeo in 2004, he has specialized in the sectors of corporate services and consumer goods and helped in the structuring and development of Eutelsat, B&B Hotels, Europcar, Elis, Asmodée, CPK and Elemica.
- Éric Schaefer was named among the Rising Stars in Private Equity in the 40 under 40 category in Dow Jones Private Equity News in 2015, before being part of the 2016 class of Young Leaders selected by the French American Foundation.
- Éric is a graduate of HEC Paris and a finance graduate of the École Polytechnique.

(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph1 of the French Commercial Code.
(2) French listed company.
(3) Stock loan granted by Eurazeo SE.



MS. PETRA FRIEDMANN

Member of the Supervisory Board – Member of the compensation and nominations Committee and member of the Strategic Committee – Independent member

Business address:
5, rue de Béarn
75003 Paris

Age and nationality:
65 years old
French and German

Date first appointed:
05/17/2018

Date term of office ends:
Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2021

Number of Company shares held:
500 ordinary shares

Positions and offices held

Positions and offices currently held in companies not controlled (1) by Europcar Mobility Group

- Vice-Chairwoman of Humanium (NGO)
- Director of Boursorama

Other positions and offices held over the last five years

- None

Management experience

- Petra Friedmann started her career in 1978 as a researcher in Economics and Sociology at the Institut für Sozialforschung of Cologne and at the Bremen University.
- In 1985, she created a travel agency, then in 1988, a medium-haul tour operator.
- In 1992, she moved to France and joined the Marmara-TUI group. As Marketing Director, she decided from 1998 to develop the online offering for the Group which was one of the first to offer online booking.
- Passionate about this e-commerce experience, in 1999 she joined the European online auction site Tradus (QXL.com Plc) as France Managing Director.
- From 2002, Petra Friedmann took over as Managing Director of Opodo in France, launching and developing the brand and making it one of the first online travel agencies in France in just a few years.
- In 2009, HomeAway, holiday leasing global leader, entrusted her with the structuring and expansion of its European operations as EMEA Chairwoman.
- In 2015, she became Vice-President of the Swiss NGO Humanium, dedicated to the defense of children's rights.
- Since 2012, she is an independent Director of Groupe Boursorama.
- Petra Friedmann is a graduate of Bielefeld University in Sociology and holds a Doctorate in Political Science & Economics from Bremen University.

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(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.

Business address:
1 place des Saisons
92048 Paris-La Défense
Cedex

Age and nationality:
45 years old
French

Date first appointed:
02/24/2015

Date term of office ends:
Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2020

Number of Company shares held:
500 ordinary shares

MS. VIRGINIE FAUVEL

Member of the Supervisory Board – Member of the Strategic Committee and member of the Audit Committee – Independent member

Positions and offices held

Positions and offices currently held in companies not controlled [(1)] by Europcar Mobility Group

- Member of the Management Board of Euler Hermes [(2)]
- Director and member of the Nominations Committee of Neopost [(2)]
- Director of Creadev

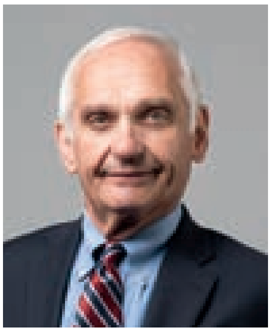
Other positions and offices held over the last five years

- Director and member of the Executive Committee of Allianz France (Germany)

Management experience

- A graduate of the École des Mines in Nancy, Virginie Fauvel began her career in 1997 at Cetelem as the Head of Risk Scoring and then as Director of CRM, before becoming Director of World Internet Strategy in 2004 and then Director of the e-business France unit in 2006.
- She joined BNP Paribas's retail bank next, in 2009, where she directed and developed the online bank before becoming Director of European online banks in 2012. In that capacity, in mid-2013 she launched HelloBank!, the first 100% mobile European bank.
- She joined Allianz France in July 2013 as a member of the Executive Committee in charge of Digital and Market Management.
- Virginie has been a member of the Conseil national du numérique (National Digital Council) from 2013 to 2016.
- Since January 15, 2018, she has been a member of the Management Board of Euler Hermes, in charge of the Americas region and Group transformation.
- She has been a Member of the Board of Neopost since June 2016 and of Creadev since May 2019.
- Virginie Fauvel is a Chevalier of the French National Order of Merit.

(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.
(2) French listed company.



Business address:
444, Seabreeze Blvd Ste.
1002 Daytona Beach,
FL 32118
United States
of America

Age and nationality:
67 years old
American

Date first appointed:
06/08/2015

Date term of office ends:
Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2022

Number of Company shares held:
500 ordinary shares

MR. SANFORD MILLER

Member of the Supervisory Board – Independent member

Positions and offices held

Positions and offices currently held in companies not controlled [1] by Europcar Mobility Group

- Advisory Board member of CenterState Bank of Florida, LLC.
- Founder and Managing Partner of Basin Street Partners LLC
- Chief Executive Officer of Carey International

Other positions and offices held over the last five years

- Vice Chairman of the Board & Founding Member of Gateway Financial Holdings of Florida, Inc.

Management experience

- Sanford Miller has large experience in the transportation and tourism industries and strong knowledge of the vehicle rental market.
- Sanford is currently the Chief Executive Officer of Carey International and Managing partner of the investment company Basin Street Partners LLC founded in 2001. He has also been a management consultant with Gerson Lehrman Group since 2003.
- He started his career in 1979 at the vehicle rental company Budget group, Inc. that he joined as North East Field Operation manager, before becoming a franchisee of Budget Rent-a-Car from 1980 to 1987.
- Appointed as Chief Executive Officer of Team Rental group in 1987, he notably supervised the acquisitions of Cruise America, VPSI, Premier Car Rental and Budget Rent-a-Car; he then served as President, Chief Executive Officer and Chairman of Budget group from 1997 to 2003, where he supervised the acquisition of Ryder TRS as well as the acquisition of Budget group by Cendant Corporation.
- From 2003 to 2012, he served as Co-Chairman and Co-Chief Executive officer of Franchise Services of North America, Inc., where he managed the acquisition of Advantage-Rent-a-Car, the merger with Rent a Wreck Capital and U-Save.
- He also served as member of the Board of Directors of the restaurant chain Stonewood Holdings and of the State University of New York at Oswego Foundation and as President of the American Car Rental Association.
- From 2006 to 2017 Sanford Miller was the Vice Chairman of the Board and Founding Director of Gateway Financial Holdings of Florida, Inc.
- Sanford Miller holds a Bachelor of Science, Business from the State University of New York, Oswego, New York.

(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.

MS. KRISTIN NEUMANN

Member of the Supervisory Board – Chairwoman of the Audit Committee – Independent member

Business address:
LSG Lufthansa Service Holding AG
FRA Z/VF
Dornhofstrasse 38
Germany

Age and nationality:
48 years old
German

Date first appointed:
05/10/2016

Date term of office ends:
Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2019

Number of Company shares held:
500 ordinary shares

Positions and offices held

Positions and offices currently held in companies not controlled [(1)] by Europcar Mobility Group

- Member of the Executive Committee of LSG Lufthansa Service Holding AG
- Member of the Supervisory Board of LSG FRA ZE, LSG FRA ZD and LSG MUC

Other positions and offices held over the last five years

- Member of the Supervisory Board of Germanwings GmbH

Management experience

- Kristin Neumann began her career in 2000 at Thomas Cook AG as a Specialist and later Head of the IT Department's Planning and Coordination Unit, then Head of Sales Control in the German market (2003), Administrative and Financial Director for continental Europe (2006), Administrative and Financial Director for Central Europe (2008), member of the Board of Directors of Thomas Cook AG (2010), Administrative and Financial Director for the United Kingdom and continental Europe (2012-2014), in particular in charge of restructuring the English market.
- In 2014, she joined LSG Lufthansa Service Holding AG as Administrative and Financial Director and Chief officer Human Resources.
- Kristin Neumann holds a degree in Micro-Economics and Business Management from the Georg-August-Universität Göttingen (Diplom-Kauffrau, 1997) and a Doctorate in Business Administration from the same university (1999), where she also worked as a graduate-level lecturer and Scientific Director (1997-2000).

(1) Articles L 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.

Business address:
Europcar France
2, rue René
Caudron – Parc
d'Affaires
le Val St Quentin
78960 Voisins-
le-Bretonneux

Age and nationality:
52 years old
French

Date first appointed:
12/21/2018

Date term of office ends:
Ordinary Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2022

Number of Company shares held:
None

MS. ADÈLE MOFIRO

Member of the Supervisory Board representing employees – Member of the compensation and nominations Committee

Positions and offices held

Positions and offices currently held in companies not controlled [1] by Europcar Mobility Group

- None

Other positions and offices held over the last five years

- None

Management experience

- After graduate studies and a Master's degree in International Business law, Ms. Adèle Mofiro joined a Paris-based law firm as a legal and administrative assistant.
- In 2000, she joined Europcar France through one of its core businesses, the central reservation service. Ms. Adèle Mofiro then joined Customer Service, then the Credit Department in 2002, where she managed foreign tour operators.
- In 2007, she joined the Insurance Department as a Customer Remedy Analyst.
- After spending 10 years with Europcar France, Ms. Adèle Mofiro obtained a Master 2 in insurance law, before being appointed Damages Supervisor, then the advisor for complex cases in 2017.
- At the end of November 2018, Ms. Adèle Mofiro was elected to Company's the Supervisory Board as a member representing employees.

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(1) Articles L. 225-21 paragraph 2, L. 225-77 paragraph 2 and L. 225-94 paragraph 1 of the French Commercial Code.

5.1.3 Declarations relating to corporate governance

The Supervisory Board is required to prepare the report provided for in Article L. 225-68 of the French Commercial Code on corporate governance. This report appears in Section 5.2.4 "*Report by the Supervisory Board on corporate governance*" and includes the information specified in Articles L. 225-37-3 to L. 225-37-5 and L. 225-82-2 of the French Commercial Code, as well as the Supervisory Board's comments on the report of the Management Board and the financial statements for the fiscal year ended December 31, 2019.

5.1.3.1 No family ties

As of the date of this Universal Registration Document, to the Company's knowledge, there were no family ties between any members of the Company's Supervisory Board and members of the Management Board.

5.1.3.2 No convictions

To the Company's knowledge during the last five years, concerning the members of the Company's Management and Supervisory Boards: (i) no Board member has been convicted of fraud, (ii) no Board member has been associated with any bankruptcy, receivership, liquidation or placing in judicial administration, (iii) no Board member has been the subject of any accusations or official public sanctions by statutory or regulatory authorities (including designated professional bodies), and (iv) no Board member has been disqualified by a court from acting as a member of the administrative, management or supervisory body of any company or from being involved in the management or business performance of any company.

5.1.3.3 No conflicts of interest

To the Company's knowledge, and subject to the relationships described in Section 7.2 "*Related Party Transactions*" herein, as of the date of this Universal Registration Document there were no potential conflicts of interest between the duties of the members of the Supervisory and Management Boards to the Company and their private interests and/or other duties. An advice assignment of six months relating to the Group's development in the United States in support of the acquisition of Fox was entrusted by the Supervisory Board to Mr. Sanford Miller on October 18, 2018, as described in Section 5.3.2.2 "*2019 compensation for members of the Supervisory Board*" of this Universal Registration Document. The Supervisory Board considered that this assignment was in the Company's interest and was completed in the first half of 2019.

Outside of this assignment and to the Company's knowledge, there are no service contracts linking one of the members of the Supervisory Board or Management Board with the Company or one of its subsidiaries and granting benefits.

Where a conflict of interest arises, the Internal regulations of the Supervisory Board dictate that the member of the Supervisory Board must inform the Board as soon as he/she becomes aware of an actual or potential conflict of interest and recuse themselves from discussions and votes on related matters.

The Supervisory Board's Internal regulations also set forth that when one of the members of the Supervisory Board has a conflict of interest, or potential conflict of interest, concerning a subject to be discussed by the Board, the Chairman shall ensure, upon recommendation of the Compensation and Nominations Committee which will have already examined the conflict of interest, that the information on this subject is not communicated to that member, without prejudice to the latter's obligations.

To the Company's knowledge, as of the date of this Universal Registration Document, there were no agreements or undertakings of any kind with shareholders, customers, suppliers or others pursuant to which any member of the Company's Supervisory or Management Boards was appointed to such position.

On the date of this Universal Registration Document, there are no restrictions accepted by the members of the Supervisory Board and/or the members of the Management Board concerning the assignment within a certain period of time of all or part of their participating interests in the Company's share capital, with the exception of (i) certain legal provisions, (ii) certain provisions set forth under the terms of the general regulations of the free share grant plans of which the members of the Management Board were beneficiaries, as described in Section 5.3.1.3 of this Universal Registration Document, (iii) the rules related to the prevention of insider trading as set forth in the French financial markets authority ("AMF") General regulation and (iv) the recommendations of the AFEP-MEDEF Code of Corporate Governance for Listed Companies, imposing a share retention obligation.

5.1.3.4 Independence of the members of the Supervisory Board

In accordance with the provisions of the Code of Corporate Governance for Listed Companies jointly published by the AFEP and the MEDEF, in its version of January 2020 (hereinafter the "AFEP-MEDEF Code"), to which the Company refers, and the Supervisory Board's Internal regulations, the Supervisory Board reviews the circumstances of each of its members annually against the criteria for independence. The Supervisory Board carried out this year's review on February 24, 2020, based on an analysis conducted beforehand by the Compensation and Nominations Committee on February 21, 2020. All of the criteria recommended by the AFEP-MEDEF Code were used to evaluate the independence of the members of the Supervisory Board.

The application of all of these criteria led the Supervisory Board to retain the following as independent members:

- Mr. Jean-Paul Bailly;
- Ms. Virginie Fauvel;
- Ms. Petra Friedmann;
- Mr. Pascal Bazin;
- Mr. Sanford Miller; and
- Ms. Kristin Neumann.

As of the date of this Universal Registration Document, the Supervisory Board had eleven members, of which six were independent, representing 60% of the members of the Supervisory Board (excluding the member representing employees) and one member representing employees. In accordance with Article 9.3 of the AFEP-MEDEF Code, the member representing employee shareholders is not counted for calculating the percentage of independent members on the Supervisory Board.

Each member of the Supervisory Board is asked to submit an annual statement to the Company in respect of each of the independence criteria. Under the AFEP-MEDEF Code recommendations, the Supervisory Board may consider that a member who meets the independence criteria set forth in Article 9.5 of the AFEP-MEDEF Code, nevertheless does not qualify as independent or, conversely, that a Director who fails to meet said criteria may be considered independent.

Table of independence criteria

	Not be an employee or an executive corporate officer	No cross-directorships	No business relationships	No family ties	Not be a current or a past auditor	Not have been a Director for more than 12 years	Not receive any variable compensation or compensation related to the Company's or the Group's performance	Not represent a shareholder with more than 10% of the stock	Independent
Jean Paul Bailly	✓	✓	✓	✓	✓	✓	✓	✓	✓
Patrick Sayer	✓	✓	✓	✓	✓		✓	✓	
Philippe Audouin		✓	✓	✓	✓		✓	✓	
Virginie Fauvel	✓	✓	✓	✓	✓	✓	✓	✓	✓
Petra Friedmann	✓	✓	✓	✓	✓	✓	✓	✓	✓
Pascal Bazin	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sanford Miller	✓	✓	✓	✓	✓	✓	✓	✓	✓
Amandine Ayrem		✓	✓	✓	✓	✓	✓	✓	
Éric Schaefer		✓	✓	✓	✓	✓	✓	✓	
Kristin Neumann	✓	✓	✓	✓	✓	✓	✓	✓	✓
Adèle Mofiro		✓	✓	✓	✓	✓		✓	

In consideration of his role as Chairman of the Supervisory Board, a specific review was conducted into the status of Mr. Jean-Paul Bailly as an independent member. As the table above shows, Mr. Jean-Paul Bailly has and has had no relationship of any kind with the Company or Group except for his service as member and Chairman of the Company's Supervisory Board. Nor has he received any compensation from the Company, other than compensation for his work as Chairman and member of the Company's Supervisory Board. As Chairman of the Supervisory Board in a dual corporate governance structure, Mr. Jean-Paul Bailly has no executive functions and does not take part in the Company's operating decisions. As a result, Mr. Jean-Paul Bailly is deemed to be independent.

On the criterion of business relationships, the AFEP-MEDEF Code states that the evaluation of the significant or non-significant relationship with the Company or its Group must be discussed by the Board and the quantitative and qualitative criteria that lead to the evaluation must be explicitly stated in the Universal Registration Document. The review by the Nominations and Compensation Committee of the situation of each member in respect of this criterion found that none of the independent members have any business relationships with the exception of a six-month consultant agreement, from January to June 2019, relating to the Group's development in the United-States in support of the acquisition of Fox, concluded between the Company and Basin Street Partners LLC in which Mr. Sanford Miller is a managing partner. Because of the small amount involved and the short duration and very specific, non-exclusive nature of the agreement (which does not present any economic dependency for either party), the Supervisory Board, upon the recommendations of the Nominations and Compensation Committee, acknowledged at its meeting of February 19, 2019, that said agreement did not represent a significant amount for either the Company or Mr. Sanford Miller.

5.1.3.5 Diversity policy in the composition of the Supervisory Board

The Supervisory Board pays particular attention to its composition and in particular to the diversity of its members based on different criteria such as independence, gender, age, nationality, expertise and professional experience.

The objective of the composition of the Supervisory Board is to strengthen the Group's strategy through its members' expertise, particularly in terms of management and knowledge of mobility and tourism, customer experience, digitalization and transformation.

The Management Board also ensures that executive corporate officers implement a policy of non-discrimination and diversity, in particular where gender balance in the management bodies is concerned.

At the date of this Universal Registration Document, the Supervisory Board is composed of eleven members, including five women, or 40% of members of the Supervisory Board excluding the employee representative, which is in accordance Article L. 225-69-1 of the French Commercial Code.

As regards international representation, as of the date of this Universal Registration Document, the Supervisory Board includes three foreign members from Germany and the United States, i.e. a proportion of 30% of the members of the Supervisory Board. Four members of the Supervisory Board developed, throughout their careers, a true international experience, which strengthens the internationalization of the Board.

The average age of the members of the Supervisory Board is 56 at the date of this Universal Registration Document.

These points are summarized in the tables below.

Summary of the expertise of the members of the Board of Directors on the date of this Universal Registration Document

	Mobilities & Tourism	International	Leadership & Management	Finance & Mergers-Acquisitions	Customer experience	ESG	Transformation & digital
Jean Paul Bailly	✓		✓		✓	✓	✓
Patrick Sayer	✓	✓	✓	✓		✓	
Philippe Audouin	✓		✓	✓			
Virginie Fauvel			✓		✓	✓	✓
Petra Friedmann	✓	✓	✓		✓	✓	✓
Pascal Bazin	✓	✓	✓		✓	✓	
Sanford Miller	✓	✓	✓		✓		
Amandine Ayrem	✓			✓		✓	
Éric Schaefer	✓	✓		✓		✓	
Kristin Neumann	✓	✓	✓	✓			
Adèle Mofiro	✓					✓	

The skills matrix was prepared in order to reflect the seven essential skills that must be brought together on the Supervisory Board. This list is not exhaustive. This matrix is intended to serve as a tool for shareholders in order to assess the Supervisory Board as a whole and to ensure that it is well-balanced. The number of skills must be sufficiently large to reflect diversity of thought and experience as well as the nationality, geographical location and gender of Supervisory Board members. The following table shows the methods used to determine whether a member of the Supervisory Board has an essential skill, what this skill can bring to the Company, as well as the Company Committee(s) for which each essential skill is required.

Essential skills	How the essential skill is acquired	How the skill is used by the Board or Board committees	Board Committees requiring this essential skill
Industry (Mobility and Tourism)	Must have worked for a competitor and/or in a business segment that is linked to the Company's business (travel, leisure and mobility)	Board members who have experience in this industry can assess whether the Group strategy is being properly implemented	Compensation and Nominations Committee Strategic Committee
International	Must have international professional experience and/or must have worked and/or lived in a foreign country	Board members with international experience can assess risks, international growth opportunities and the deployment of the international strategy	Compensation and Nominations Committee Audit Committee Strategic Committee
Leadership & Management	Must be or must have been in a managerial position as a member of a management body, senior executive, Managing Director or senior manager, including P&L experiences	Board members with management and leadership skills are able to assess the leadership of the Management Board, the implementation of the strategy and the management of the Company's talent	Compensation and Nominations Committee
Finance & Mergers & Acquisitions	Must have worked mainly in the finance or mergers and acquisitions sector and be a financial expert	Board members with finance/mergers and acquisitions skills are able to assess the Management Board's objectives, review performance and financial statements and assess merger and acquisition opportunities	Audit Committee Strategic Committee
Customer Experience	Must have worked for a company that prioritizes the customer experience	Implementation of the best possible strategy Identification of the most effective ways to grow the Company Assessment of the risks and opportunities linked to constantly changing customer expectations	Audit Committee Strategic Committee
ESG (Environment, Social and Governance)	Must have skills in the following areas: environmental (carbon impact, pollution and pollutant emissions, water consumption, etc.), social (human resource talent management and global integration, labor law, succession plans, compensation, etc.), governance (corporate governance, compliance, personal life, ethics, corruption, etc.)	Identification and anticipation of non-financial risks and opportunities that could have a material and concrete impact on the Company's businesses	Compensation and Nominations Committee Audit Committee Strategic Committee
Transformation & Digital	Must have headed a company or acquired experience in a constantly changing industry or been a member of a management body of a new technology company (hardware, software, e-commerce, cybersecurity, etc.)	Implementation of an effective strategy adapted to the challenges in a fast-changing sector, in particular with respect to new technologies	Strategic Committee

Description of the methodology used

The exercise of identifying the skills in the matrix for each member of the Supervisory Board calls for the identification of the skills that investors must consider to be (i) consistent with the published profile of each Supervisory Board member (biography on the Company's website, LinkedIn profile, etc.) that all investors can verify, (ii) relevant for the role of each Board member (Chairman and/or member of the Board and/or a Committee) to ensure that the Board can fulfill its role effectively, and (iii) necessary for the Company's long-term strategy and success.

This is a two-stage process:

- first, at the Supervisory Board level, it is necessary to (i) verify that all the essential skills listed in the matrix can be found on the Board and that no skill is not or insufficiently represented, and (ii) verify that the Chairman of the Board has the skills necessary for carrying out his duties. On this last point, the Chairman of the Supervisory Board must have extensive experience as a senior manager. He must have skills in ESG, and more specifically in corporate governance;
- second, at the Committee level, it is necessary to verify that the members of each Committee have the skills needed to justify their membership on the Committee, as set out in the table above.

The objective of the matrix and Governance Roadshow, which followed the creation of the matrix, was to highlight the strengths of the Supervisory Board. The Supervisory Board is highly qualified and has the skills needed to define a strategy, monitor and question the decisions of the Management Board, oversee financial and non-financial performance and empower the Management Board in order to reinforce long-term value creation, in accordance with the Company's purpose. The Supervisory Board also sought to ensure that the Company attracts and retains talent to implement its strategy and to speed up digital integration.

Summary table of the composition of the Company's Supervisory Board at the date of this Universal Registration Document

Name	Date first appointed	End of Term of office	Inde-pendence	Diversity in the composition of the Board	Membership of a Committee	Investments/ Number of meetings of the Board in 2019	Attendance rate at Board meetings in 2019	Attendance rate at Committee meetings in 2019	Attendance rate at Board and Committee meetings in 2019
Jean Paul Bailly	06/08/15	2023	✓		Strategic Committee	19/19	100%	100%	100%
Pascal Bazin	06/08/15	2022	✓		Audit Committee Compensation and Nominations Committee	19/19	100%	100%	100%
Patrick Sayer	02/24/15	2023			Strategic Committee	11/17 (1)	64,7% (1)	25% (1)	57% (1)
Philippe Audouin	02/24/15	2021			Audit Committee Strategic Committee	15/17 (1)	88,2% (1)	88,9% (1)	88,5%
Virginie Fauvel	02/24/15	2021	✓	Women's representation	Audit Committee Strategic Committee	18/19	94.7%	100%	96,7%
Petra Friedmann	05/17/18	2022	✓	Women's representation International representation	Compensation and Nominations Committee Strategic Committee	19/19	100%	100%	100%
Sanford Miller	06/08/15	2023	✓	International representation		17/19	89.5%	N/A	89.5%
Amandine Ayrem	07/24/17	2020		Women's representation		10/11 (1) (2)	90,9%	N/A %	90.91%
Éric Schaefer	02/24/15	2022			Compensation and Nominations Committee	9/17	52.9%	100% (1)	63.6%
Kristin Neumann	05/10/16	2020	✓	Women's representation International representation	Audit Committee	15/19	78.9%	100%	84%
Adèle Mofiro	12/21/18	2022	Member repre-senting emplo-yees	Women's representation	Compensation and Nominations Committee	16/19	84.2%	100%	88%

(1) For reasons of conflicts of interest, Ms. Amandine Ayrem and Mr. Patrick Sayer, Mr. Philippe Audouin and Mr. Éric Schaefer were unable to attend Board and Committee meetings in December 2019. These meetings, during which they were absent, were not taken into account in the calculation of the attendance rate for the year 2019.
(2) Ms. Amandine Ayrem was unable to attend the six Supervisory Board meetings held from July to October because she was on maternity leave. These absences were not included in the calculation of the attendance rate during 2019.

5.1.3.6 Representation of employees and employee shareholders in the Supervisory Board

Ms. Adèle Mofiro was appointed by the Group Committee as a member of the Supervisory Board of the Company representing employees, in accordance with the Company's by-laws and pursuant to Article L. 225-79-2 of the French Commercial Code. Ms. Adèle Mofiro has been a member of the Company's Supervisory Board and entitled to voting rights since December 21, 2018. In addition, by decision of the Supervisory Board on December 21, 2018, she was appointed member of the Nominations and Compensation Committee.

Pursuant to the Pact law, a second employee representative will be appointed as member of the Supervisory Board in 2020. The appointment of this second employee representative will be made by the Company's European Works Council, which was officially informed at its meeting of February 12, 2020. The Company's Human Resources Department will organize a meeting of the Bureau of the Company's European Works Council at the beginning of the second quarter of 2020 in order to explain the role of the Supervisory Board and to remind it of the rules for appointment. The Company's European Works Council will then be asked to appoint a representative at its ordinary meeting in June 2020.

Pursuant to Article L. 225-71 of the French Commercial Code, listed companies whose shares held by employees represent more than 3% of the share capital are required to appoint one or more employee representatives to sit on their Supervisory Board. Given that at December 31, 2019, the number of Company shares held by employees was less than 3%, the Company does not fulfill the condition for the implementation of this obligation.

5.1.3.7 Terms of office of members of the Supervisory Board

The terms of office of the members of the Supervisory Board expire on a staggered basis in order to allow for the rolling renewal of the Supervisory Board's membership, in accordance with the recommendations of the AFEP-MEDEF Code.

The terms of office of Ms. Amandine Ayrem and Ms. Kristin Neumann. Will expire at the end of the Shareholders' Meeting convened to approve the financial statements for the fiscal year ended December 31, 2019.

As Ms. Kristin Neumann and Ms. Amandine Ayrem indicated that they did not wish to renew their terms of office due to personal and scheduling reasons, a proposal will be made to the Company's shareholders at the Shareholders' Meeting of June 12, 2020 and at the proposal of the Nominations and Compensation Committee on March 12, 2020, approved by the Supervisory Board on March 13, 2020, to appoint Ms. Martine Gerow and Ms. Sophie Flak as replacements for a period of four years, i.e., until the Shareholders' Meeting convened in 2024 to approve the financial statements for the fiscal year ended December 31, 2023.

5.1.4 Application of the AFEP-MEDEF Code

The Company refers to the AFEP-MEDEF Code, as revised in January 2020 [1] and regularly reviews and improves its corporate governance practices.

At its meeting of February 24, 2020, the Supervisory Board reviewed the recommendations of the revised AFEP-MEDEF Code.

As permitted by this Code and by the law, the Company has set aside or amended some of the Code's provisions to suit its specific circumstances or to comply with other provisions of the Code. These are summarized in the table below, along with the reasons for these choices.

AFEP-MEDEF Code recommendations	Company practice and justification
Non-compete agreement of the members of the Management Board (Article 24.4 of the AFEP-MEDEF Code) "The Board provides that the payment of the non-compete compensation is excluded as soon as the officer asserts his pension rights. In any event, no compensation can be paid beyond 65 years of age"	Regarding the renewal of term of office as members of the Management Board for Caroline Parot and Fabrizio Ruggiero as well as the appointment of Olivier Baldassari as a new member of the Management Board for a term of four years, decided by the Board during its meeting on December 21, 2018, and the appointment of Albéric Chopelin as a member of the Management Board during the 2019 fiscal year, the Supervisory Board did not consider it useful to specify that the non-compete clause that may be exercised by the Company be excluded as soon as the manager asserts his pension rights over age 65 since given the current ages of the members of Management Board, they are not asserting their pension rights for at least 10 or 15 more years. The Supervisory Board decided however to respect this AFEP-MEDEF Code recommendation relative to the appointments or term-of-office renewals of Directors for which Management Board members could exercise their rights to retirement or remain in office beyond the age of 65.
Gender diversity policy on the governing bodies (Article 7.1 and 7.2 of the AFEP-MEDEF Code) "At the proposal of the executive management, the Board shall determine gender diversity objectives for governing bodies. The executive management shall present measures for implementing the objectives to the Board, with an action plan and the time horizon within which these actions will be carried out. The executive management shall inform the Board each year of the results achieved. In the report on corporate governance, the Board shall describe the gender diversity policy applied to the governing bodies as well as the objectives of this policy, the implementation measures and the results achieved in the past financial year including, where applicable, the reasons why the objectives have not been achieved and the measures taken to remedy this".	Due to the extremely short deadlines since the publication of this new recommendation, the Human Resources Department has indicated to the Group Executive Committee that it is not in a position to present to the Committee, and then to the Supervisory Board, the objectives of gender diversity within the management bodies. The Human Resources Department proposed to the Committee to make this presentation at the Committee meeting to be held in July 2020. The Committee accepted this proposal to postpone the presentation of the objectives and action plan until July 2020.

(1) Available on the following website https://afep.com/wp-content/uploads/2020/01/Code-Afep_Medef-révision-janvier-2020_-002.pdf.

5.1.5 Other management bodies

Ms. Caroline Parot and Mr. Fabrizio Ruggiero have been members of the Management Board since July 22, 2016. Ms. Caroline Parot was appointed Chairwoman of the Management Board by decision of the Supervisory Board on November 13, 2016. As her term of office as member of the Management Board and Chief Executive Officer had expired on March 8, 2019, it was renewed for another four-year period by decision of the Supervisory Board on December 21, 2018. As the term of office of Mr. Fabrizio Ruggiero as member of the Management Board and Chief Executive Officer had expired on March 8, 2019, it was also renewed for another four-year period by decision of the Supervisory Board on December 21, 2019.

Following the appointment of Mr. Olivier Baldassari and of Mr. Albéric Chopelin as members of the Management Board effective respectively from January 1, 2019 and April 15, 2019, the Management Board comprised the following members as of the date of this Universal Registration Document:

- Ms. Caroline Parot Chairwoman of the Management Board;
- Mr. Fabrizio Ruggiero, Member of the Management Board, Deputy Chief Executive Officer, Head of Business Units;
- Mr. Olivier Baldassari, Member of the Management Board, Director, Countries and Operations;
- Mr. Albéric Chopelin, Member of the Management Board – Director of Sales and Customer Accounts.

In addition, during fiscal year 2019, a Group Executive Committee provided operational support to the Management Board in preparing and implementing the decisions and strategy defined by the Management Board. Besides, an Investment Committee ensured the control of financial projects.

Pursuant to Article 7 of the AFEP-MEDEF Code, as revised in January 2020, the Supervisory Board must determine, on the proposal of executive management, targets for gender diversity within the management bodies. Executive management must present to the Board the methods for implementing these objectives, with an action plan and the time horizon within which these actions will be carried out, and inform the Board annually of the results obtained. The Board must then describe, in the report on corporate governance, the gender diversity policy applied to the management bodies as well as the objectives of this policy, the implementation measures and the results achieved in the past financial year including, where applicable, the reasons why the objectives have not been achieved and the measures taken to remedy this.

This recommendation is applicable as from the Shareholders' Meeting ruling on fiscal year beginning on or after January 1, 2020. However, it is recommended that boards make their best efforts to publish targets in terms of feminization, starting this year.

Due to the extremely short deadlines since the publication of this new recommendation, the Human Resources Department has indicated to the Group Executive Committee that it is not in a position to present to the Committee, and then to the Supervisory Board, the objectives of gender diversity within the management bodies. The Human Resources Department proposed to the Committee to make this presentation at the Committee meeting to be held in July 2020. The Committee accepted this proposal to postpone the presentation of the objectives and action plan until July 2020.

Group Executive Committee

The role of the Group Executive Committee is to roll out the Group's strategy within the Business Units. The Group Executive Committee is led by Ms. Caroline Parot. As of the date of this Universal Registration Document, the Group Executive Committee comprises, in addition to the members of the Management Board and each head of Business Unit, the heads of certain Group operating functions, as presented below:

Name	Position within the Group
Caroline Parot	Chairman of the Management Board
Olivier Baldassari	Member of the Management Board – Director, Countries and Operations
Fabrizio Ruggiero	Member of the Management Board – Deputy CEO – Business Units Director
Albéric Chopelin	Member of the Management Board – Director of Sales and Customer Accounts
Marcus Bernhardt	Director of the International Coverage Business Unit
Jose-Maria Gonzalez	Director of the Cars Business Unit
Yvonne Leuschner	Director of the Vans & Trucks Business Unit
Luc Péligry	Group Chief Financial officer
Denis Langlois	Group Human Resources Director
Damien Basselier	Group IT Director and Group Chief Product officer
Franck Rohard	Secretary General and Group Legal Director
Xavier Corouge	Director of the Urban Mobility Business Unit
José Blanco	Business Unit Director – Low Cost
Aurélia Cheval	Group Director of Strategy

Investment Committee

The Investment Committee meets as often as required. Its key missions are to analyze, structure, control and subsequently validate the economic and financial terms of commitments struck with the main partners and major Group investment proposals (main commercial stakeholders, including customers and partners), with regard to the policy defined by the Management Board.

This Committee is supported by the Group's PMO (project management), management control and operating functions. The Investment Committee met 55 times in 2019 and approved the implementation of 42 projects or answers to invitations to tender.

5.2 ROLE AND ACTIVITIES OF THE SUPERVISORY BOARD

5.2.1 Main provisions of the Company's by-laws and the Supervisory Board's Internal regulations

The Supervisory Board's internal regulations follow best practices to ensure compliance with the basic principles of corporate governance, in particular those set out in the AFEP-MEDEF Code.

The Internal regulations were revised by the Supervisory Board at its meetings of February 24, 2017, February 28, 2018, March 20, 2018, and September 20, 2018. It complements the Company's by-laws as well as the laws and regulations in force by specifying the duties, composition and operation of the Supervisory Board and its committees, the Audit Committee, the Compensation and Nominations Committee and the Strategic Committee, and their interactions. The internal regulations of the Audit Committee, the Compensation and Nominations Committee and the Strategic Committee are attached as an Appendix to the rules of Supervisory Board's internal regulations.

The Supervisory Board's Internal regulations may be modified at any time by a decision of the Supervisory Board.

In accordance with Article L. 225-82 of the French Commercial Code, Article 19.III of the Company's by-laws and Article 7.5 of the Supervisory Board's Internal regulations, participation in Supervisory Board meetings by means of video conference or other means of telecommunication is prohibited for votes on the following decisions:

- appointing or replacing its Chairperson and Vice-Chairperson;
- appointing or removing members of the Management Board;
- closing the annual Company and consolidated financial statements and reviewing the Company and Group management reports.

It is subject to the approval of the Company's Annual Shareholders' Meeting of June 12, 2020, a statutory amendment pursuant to the 31st resolution, allowing a written consultation procedure for the Supervisory Board's decisions, in accordance with Article L. 225-82 of the French Commercial Code.

5.2.1.1 Participation in Supervisory Board meetings by video conference or other means of telecommunication

Pursuant to applicable laws and regulations, the use of video-conference or other means of telecommunication is authorized for any Supervisory Board meeting: the means used must enable real-time and continuous transmission of speech and, if applicable, video images of the members, who must be visible to everyone. These means must also permit each member to be identified and ensure their active participation in meetings.

Members participating in a Supervisory Board meeting by means of video conference or other means of telecommunication as described above are deemed present for purposes of calculating quorum and majority. The attendance sheet includes the names of members participating in the Supervisory Board meeting in such manner. The meeting's minutes must indicate the names of those Supervisory Board members deemed present in this manner. The minutes must also mention the occurrence of any technical difficulties that may have interfered with the meeting.

5.2.1.2 Matters reserved for the Supervisory Board

Article 20.IV of the Company's by-laws sets limits on the powers of the Management Board.

a) first, the following acts are subject to the prior authorization of the Supervisory Board:
   - the granting of securities, endorsements, guarantees;

b) the by-laws also stipulate that the following transactions relating to the Company require prior authorization:
   - a proposal to the Shareholders' Meeting to modify the by-laws;
   - any draft resolution to the Shareholders' Meeting relating to the issuance of share or other securities giving access, immediately or in the future, to the Company's share capital, and any use of such delegations granted by the Shareholders' Meeting;
   - any transaction on the Company's share capital that could lead, immediately or in the future, to a capital decrease (not occasioned by losses) through a decrease in the par value or a cancellation of shares;

- any proposal to the Shareholders' Meeting to implement a share buyback program;
- any proposal to the Shareholders' Meeting to allocate the Company's results and to distribute dividends, as well as any distribution of an interim dividend; and
- adopting the Company's annual budget and strategic plan;

c) the by-laws also provide that the following transactions relating to the Company or to the subsidiaries it controls within the meaning of Article L. 233-3 of the French Commercial Code, require prior authorization:
- implementing an option plan or allocating stock subscription or purchase options;
- implementing a free share grant plan or granting free shares;
- the entry into or substantial modification of agreements relating to the exclusive use by a third party of any trademark owned by the Company or one of its subsidiaries (other than in connection with a franchise agreement or in the ordinary course of business);
- any decision to carry out a merger, spin-off, partial asset contribution or similar transaction involving the Company, and any vote within the Company's subsidiaries relating to a merger, spin-off, partial asset contribution or similar transaction, with the exception of intra-group reorganizations; and

d) the by-laws also provide for the following transactions relating to the Company or its subsidiaries controlled within the meaning of Article L. 233-3 of the French Commercial Code, are subject to prior authorization in the event the amount of such transactions exceeds certain thresholds as determined by the Supervisory Board's internal regulations.

In accordance with the provisions of Article 20.IV (d) of the by-laws and Article 5 of the Supervisory Board's Internal regulations, the following transactions are subject to prior authorization of the Supervisory Board:

- decisions to change the Company's business or to diversify the Group's activities where they involve investments of more than €15 million;
- any new debt or the entry into or modification of financing agreement (including any asset-back debt or operating lease), relating to the Company or to the subsidiaries it controls within the meaning of Article L. 233-3 of the French Commercial Code, where their amount exceeds (i) €100 million, or (ii) is less than €100 million but involves securities, endorsements or guarantees commitments of more than €25 million;
- grant or renewal of securities, endorsements or guarantees where their amount exceeds €25 million;
- dispute settlement agreements where their amount exceeds €10 million;
- decisions to expand into new countries, directly, through the creation of a direct or indirect subsidiary, through equity investments or entry into joint venture agreements or significant collaborations, where the amount of assets brought in exceeds €15 million;
- the acquisition, expansion or sale of equity investments by the Company or by one of its subsidiaries in any companies created or to be created, where their amount exceeds €15 million; and
- any other planned transaction (except for fleet purchase investments) not referred to in Article 20.IV of the by-laws, where the investment amount exceeds €10 million.

Following the ordonnance n° 2019-1234 of November 27, 2019, the Supervisory Board's Internal regulations will have to be updated in order to add the study of the compensation ratio into the Supervisory Board's mission scope.

5.2.2 Activities of the Supervisory Board in 2019

Frequency, length and attendance at meetings

During the 2019 fiscal year, the Supervisory Board met physically eight times, with an average meeting length of four hours, except the meeting on June 17, 2019, for which an entire day was devoted to discussing the main strategic directions of the Group as proposed by the Management Board. In addition, the Supervisory Board had eleven meetings by teleconference of approximately one hour each. Therefore, during the 2019 fiscal year, the Supervisory Board met a total of 19 times (versus 15 meetings in 2018).

The overall attendance rate at meetings of the Supervisory Board and its committees meetings of Supervisory Board members was of 87.1% in 2019. The individual attendance rates by member are detailed in the table shown in Section 5.1.3.5 "*Diversity Policy in the composition of the Supervisory Board*" of this Universal Registration Document.

Activities of the Supervisory Board in 2019

The Supervisory Board's activities in 2019 mainly related to the following topics:

- the review of the annual and consolidated financial statements for the fiscal year ended December 31, 2018;
- the review of the annual and consolidated financial statements for the first half of 2019;
- the review of the 2019 consolidated financial statements for the first and third quarters;
- the review of the drafts of financial press releases;
- the dividend policy;

- the proposals for the allocation of the fiscal year 2018 earnings;
- the review of the financing policy: the Supervisory Board in particular renewed the financial and legal authorizations granted;
- the in-depth strategy review during a full-day seminar;
- the review of the 2020 budget; and
- the review and authorization of proposed acquisitions.

In addition, the Supervisory Board has also:

- convened the Annual Shareholders' Meeting of April 26, 2019 and adopted the reports and draft resolutions submitted to it;
- reviewed the 2018 Registration Document and the report of the Supervisory Board's Chairman as required by Article L. 225-68 of the French Commercial Code;
- acknowledged the financial statements and the regular reports provided by the Chairman of the Audit Committee, the Chairman of the Nominations and Compensation Committee and the Chairman of the Strategic Committee; and
- reviewed the policy of professional and salary equality between men and women.

Regarding corporate governance, the Supervisory Board's work mainly related to:

- setting the principles, criteria and components of Ms. Caroline Parot's compensation as Chairwoman of the Management Board;
- setting the principles, criteria and components of compensation for the other members of the Management Board;
- setting the terms and conditions for distributing the compensation of the members of the Supervisory Board for the 2019 fiscal year;
- reviewing the Company's policy regarding the executives' long-term incentive compensation;
- reviewing the selection of the Board members at the time of renewing the Board's composition;
- the appointment of Mr. Albéric Chopelin as a member of the Management Board;
- approving the succession plan for the members of the Management Board and the Group Executive Committee; and
- the policy to retain talent within the Group.

The Supervisory Board's reflection on its performance and annual assessment

Once a year, the Supervisory Board should devote a point of its agenda to the assessment of its operations and discuss its performance in view of improving its efficiency, ascertaining that important issues were properly prepared and discussed internally and measuring the actual contribution of each of its members to its work.

In addition, the Supervisory Board's internal regulations provide that a formal assessment of the Supervisory Board and its committees must be carried out every three years, where necessary under the direction of an independent member of the Supervisory Board, and, if required, an external consultant, in order to verify in particular compliance with the working principles of the Supervisory Board and identify areas in which the Supervisory Board's performance and efficiency can be improved. In the two years following the formal assessment, Supervisory Board's internal regulations allow for self-assessment by its members.

Thus, in accordance with the Supervisory Board's and the AFEP-MEDEF Code recommendations, a formalized evaluation of the composition, organization and functioning of the Supervisory Board and its committees was conducted in late 2016 by an independent outside consultant and presented to the Supervisory Board on February 24, 2017. This evaluation showed that the diversity in the composition of the members of the Board and changes in the functioning of the Supervisory Board were positive. Possible improvements have nevertheless been identified and have been implemented during 2017. They concern in particular: the prioritization of the subjects on the agendas of meetings and the establishment, in conjunction with the members of the Board, of an agenda of the subjects which will be presented and discussed by the Supervisory Board during the year. The areas for improvement suggested by the report were presented and discussed at the meeting of the Supervisory Board on February 24, 2017, during the agenda item devoted each year to discussing the functioning of the Supervisory Board.

A self-assessment on the composition, organization and functioning of the Supervisory Board and its Committees during the fiscal year 2017 was carried out by members of the Supervisory Board and supervised by the Compensation and Nominations Committee. The conclusions of this self-assessment were presented to the Supervisory Board on February 28, 2018. This self-assessment established that the areas for improvement identified at the previous assessment of the Supervisory Board and presented on February 24, 2017 had been implemented. The members of the Supervisory Board all agreed that, for the most part, implementation in fiscal year 2017 of the recommendations made and areas for improvement identified in February 2017 had been satisfactory. The new areas for improvement suggested in the findings of the self-assessment carried out in January 2018 were presented and discussed during the Supervisory Board meeting of February 28, 2018, under the agenda point devoted every year to a discussion about the way in which the Supervisory Board works. The major points were to make a greater effort to offer new Supervisory Board members a more structured integration program and to systematically conduct after-the-fact analysis of the significant strategic decisions.

A self-assessment on the composition, organization and functioning of the Supervisory Board and its Committees during the fiscal year 2018 was carried out by members of the Supervisory Board and supervised by the Compensation and Nominations Committee. The findings of this self-assessment survey were presented to, and debated by, the Supervisory Board on March 20, 2019 at the item of the agenda set each year to discuss the functioning of the Supervisory Board. This self-assessment established that the areas for improvement identified at the previous assessment of the Supervisory Board and presented at the meeting on February 28, 2018 had largely been satisfactorily implemented in 2018. According to the survey, members believe that important issues are properly prepared and debated and that the effective skills of and contributions from Board members foster cohesion and enhance the quality of debate in the Supervisory Board. The suggested new areas of improvement include further work to be carried out and expanded on succession plans, notably those for members of the Group Executive Committee and the Supervisory Board, and optimizing the work carried out by the Strategic Committee and the Supervisory Board on value creation scenarios.

In accordance with the Supervisory Board's and the AFEP-MEDEF Code recommendations, the formal assessment of the composition, organization and operating procedures of the Supervisory Board and its Committees during the 2019 fiscal year was conducted at the end of 2019 by an independent external firm and presented to the Supervisory Board of January 27, 2020.

During this process, each member of the Board was confidentially interviewed by the independent external consultant using the same interview guide, covering governance fit and Board activities, Board effectiveness, Board composition, roles and areas of expertise, Board involvement and engagement, Board involvement in succession planning, and Board Committees functioning. Besides an assessment of the Board collective functioning, individual Board members' contributions were also assessed, allowing the Chairwoman of the Board to share constructive feedback.

This evaluation established that the areas for improvement identified during the previous assessment of the Supervisory Board and presented on March 20, 2019 had been almost fully implemented: in particular on executive roles succession planning, balance between presentation and discussion, participation rates and the articulation between the Strategic Committee and the Board.

The 2019 evaluation identified a few new areas for improvement including time devoted to strategic, the implementation of regular "executive sessions", succession planning for future Board composition, and the visibility on planning and Board activities.

The areas for improvement suggested by the report were presented and discussed at the meeting of the Supervisory Board on January 24, 2020, during the agenda item devoted each year to discussing the functioning of the Supervisory Board.

5.2.3 Committees of the Supervisory Board

Pursuant to Article 20.VI of the Company's by-laws and Article 11 of the Supervisory Board's internal regulations, the Supervisory Board may form committees charged with examining questions submitted to them by the Board or its Chairman. The Supervisory Board created an Audit Committee and Compensation and Nominations Committee whose composition, duties and operating rules are described below. The composition of these committees, as decided by the Supervisory Board, complies with the recommendations of the AFEP-MEDEF Code.

On March 20, 2018, the Supervisory Board also decided to create a Strategic Committee and adopted its Internal regulations, the main provisions of which are set out in Section 5.2.3.3 of this Universal Registration Document.

Besides, the Supervisory Board decided, on September 18, 2019, to create an ad hoc Committee whose missions and functioning are described in Section 5.2.3.4 of this Universal Registration Document.

Pursuant to the second paragraph of Article L. 225-39 of the French Commercial Code, on February 24, 2020 the Supervisory Board approved the terms of the Europcar Mobility Group's internal charter on the procedure relating to agreements concerning current transactions conducted under normal conditions. The implementation of the procedure, which makes it possible to regularly verify that agreements concerning current transactions conducted under normal conditions effectively fulfill these conditions, will be an integral part of the Audit Committee's remit.

5.2.3.1 Audit Committee

Composition (Article 11 of the Supervisory Board's Internal regulations)

In accordance with Article 11 of the Supervisory Board, the Audit Committee must be comprised of two to five members chosen from among the members of the Supervisory Board, with particular consideration given to their independence and may not include any senior executive or corporate officer of the Company. In accordance with applicable legal provisions, the members of the Audit Committee must have specialized financial and/or accounting knowledge and at the time of their appointment receive Company-specific accounting, financial and operating information.

The Audit Committee members' terms expire at the same time as their terms on the Supervisory Board; however, the Supervisory Board may at any time change the composition of the Committee and thus end the term of a Committee member.

The Chairman of the Audit Committee is appointed by the Supervisory Board from among the Committee's members for his/her entire term as a member of this Committee.

As of the date of this Universal Registration Document, the Audit Committee comprises the four following members, three of which, including the Chairman, are independent members. As the proportion of independent members within the Audit Committee is three-quarters, the composition of this Committee complies with the recommendations of the AFEP-MEDEF Code. The four members of the Audit Committee have the necessary financial and accounting skills in light of their career paths and experience, as described in Section 5.1.2.1 "*Composition of the Supervisory Board*" of this Universal Registration Document.

Composition of the Audit Committee and attendance rate

Members	Independence	Attendance rate
Kristin Neumann (Chairwoman)	✓	100%
Philippe Audouin		80%
Pascal Bazin	✓	100%
Virginie Fauvel	✓	100%

Duties (Article 1 of the Audit Committee's Internal regulations)

The duties of the Audit Committee are to oversee the preparation and audit of accounting and financial information and to ensure the effectiveness of risk monitoring and internal operating control mechanisms in order to facilitate the Supervisory Board's oversight of control and verification mechanisms. Within this framework, the Audit Committee provides all advice and recommendations to the Supervisory Board in carrying out the following main duties:

(I) Overseeing the preparation of accounting and financial information

Prior to their presentation to the Supervisory Board, the Audit Committee must review the parent company and consolidated financial statements, annual or half-yearly, and ensure the relevance and constancy of the accounting methods used to establish these statements. The Audit Committee will review, if needed, all major transactions that may have entailed conflicts of interest. The Audit Committee must express an opinion on any significant changes to the accounting principles applied by the Company when preparing its consolidated financial statements (annual or half-yearly) with the exception of changes caused by modified IAS/IFRS.

The Audit Committee must review the scope of consolidated companies and, if need be, the reasons why companies are excluded from the scope.

The Audit Committee must in particular examine provisions and their adjustments and any situation that may generate a significant risk for the Group as well as all financial information and all annual, half-yearly or quarterly reports drawn up in the regular course of business or for a specific transaction (for example a contribution, a merger or a market transaction).

This review must take place insofar as possible two (2) days prior to the review by the Supervisory Board.

The review of the annual and half-yearly financial statements must be accompanied by a presentation from the Statutory Auditors indicating the key points of the legal audit and of the accounting options used as well as a presentation by the Chief Financial officer describing the risk exposure (including social unrest and environmental) and significant off-balance sheet commitments of the Company and its subsidiaries.

The Statutory Auditors must in particular be heard at the time of the Committee meetings dealing with the preparation and control of the annual and half-yearly financial statements in order to report on the execution of their mission and the conclusions of their work.

This allows the Committee to be informed of the main areas of risk or uncertainty regarding the accounts identified by the Statutory Auditors, their audit approach and any difficulties encountered during their mission.

If applicable, the Audit Committee shall make recommendations in order to guarantee the integrity of the financial information.

(II) Overseeing the effectiveness of the internal control, Internal Audit and risk management systems concerning accounting, financial, and non-financial information

The Audit Committee must ensure the relevance, reliability and implementation of internal control procedures and the identification, hedging and management of the Company's risks in relation to its activities and its accounting, financial and non-financial information. The Audit Committee monitors the effectiveness of the Internal Audit, in particular the procedures relating to the preparation and processing of accounting, financial and non-financial information, without prejudice to its independence.

The Committee must also review the significant risks and off-balance sheet commitments of the Company and its subsidiaries and assess the significance of the shortcomings or weaknesses that are communicated to it and inform the Supervisory Board where necessary. The Committee must in particular interview the persons in charge of the Internal Audit and regularly examine the business risk map. In addition, the Committee must give its opinion on the organization of the Internal Audit Department and be informed of its audit program. It should receive the Internal Audit reports or a periodic summary of these reports.

(III) Overseeing the legal audit of the parent company and consolidated financial statements by the Company'S Statutory Auditors

The Audit Committee must gather and monitor information from the Company's Statutory Auditors (also without the presence of members of the Management Board) notably on their general work schedule, on changes they consider necessary to the Company's accounts or other records, on any accounting irregularities, anomalies or inaccuracies they may have identified, on uncertainties or significant risks concerning the drawing up and processing of accounting, financial and non-financial data, on the conclusions drawn from their observations and corrections concerning the period's results compared to those of the previous period, and on any significant internal control weaknesses they may have discovered.

(IV) Overseeing the independence of the Statutory Auditors

The Committee must steer the procedure for selecting and renewing the Statutory Auditors and submit the results of this selection to the Supervisory Board. In accordance with the regulations in force, the Audit Committee must appoint Statutory Auditors from new firms by conducting a tender process when the term of appointment including renewals has reached the maximum permitted (24 years as co-Statutory Auditor from the date of the Company's IPO). The Audit Committee submits a recommendation based on the results of this selection to the Supervisory Board. It also issues a recommendation on the Statutory Auditors proposed for appointment by the Shareholders' Meeting.

In order for the Audit Committee to monitor the Statutory Auditors' compliance with the rules pertaining to their independence and objectivity throughout the duration of their mandate, the Committee must obtain at the end of every fiscal year:

- as from the fourth fiscal year beginning after June 16, 2016 (i.e., in 2020), the Statutory Auditors' statement of independence, which must include in particular confirmation that non-audit services do not exceed (except with the agreement of the Statutory Auditors' High Commissioner (H3C)) the threshold of 70% of the average of fees paid over the last three consecutive fiscal years for the statutory audit of the financial statements of the Company and the companies it controls, and the Group's financial statements;
- the amount and detailed breakdown of fees paid by category of assignment to the Statutory Auditors and their network during the fiscal year by companies in which the Company has a controlling interest and by its controlling entity; and
- information on the services provided other than certification of the financial statements.

In addition, the Committee must review with the Statutory Auditors the risks pertaining to their independence and the safeguard measures taken to reduce these risks. It must in particular ensure that the amount of the fees paid by the Company and the Group, or the part it represents of the revenue of the Statutory Auditor firms or their networks, is not of a nature to endanger the independence of the Statutory Auditors.

In accordance with the provisions of Article L. 822-11-2 of the French Commercial Code, services other than the certification of the financial statements which are not mentioned in Section II of Article L. 822-11 and in Section I of Article L. 822-11-1 of the French Commercial Code, may be provided by the Statutory Auditors, or members of its network, to the Company or to persons or entities controlling it or which are controlled by it within the meaning of Sections I and II of Article L. 233-3 of the French Commercial Code, subject to approval by the Audit Committee. The procedure for prior approval by the Audit Committee of such services is described in Appendix A of the Audit Committee's Internal regulations.

Committee meetings (Article 2 of the Audit Committee's Internal regulations and Article 11 of the Supervisory Board's Internal regulations)

The Audit Committee may conduct meetings in person or via video or telephone conference pursuant to the same rules as the Supervisory Board, when convened by its Chairman or secretary, so long as at least half of its members participate. Committee members may not give proxies to other members to represent them.

The Audit Committee's recommendations are adopted by a simple majority of members present. In the event of a tie, the vote of the Committee's Chairman prevails.

The notice of meeting must include an agenda and may be transmitted orally or by any other means.

The Audit Committee meets as often as necessary and, in any event, at least twice a year in connection with the Group's preparation of the annual and interim financial statements.

The Audit Committee's meetings are held prior to the meeting of the Supervisory Board and, to the extent possible, at least two days prior when the Audit Committee's agenda includes examination of interim or annual financial statements prior to their review by the Supervisory Board.

Minutes are prepared for each meeting, in the absence of other provisions, by the meeting's secretary appointed by the Committee's Chairman, under the authority of the Committee's Chairman. The minutes are sent to all members of the Committee. The Chairman of the Committee decides conditions pursuant to which it reports on its work to the Supervisory Board.

The Audit Committee may rely on, if necessary, external experts through requests for technical studies on topics relevant to their skills.

The Committee presents its work at the next Supervisory Board meeting.

Activities of the Audit Committee in 2019

During the 2019 fiscal year, the Audit Committee met six times, with an attendance rate of 95%. In 2019, the Audit Committee examined and/or formed opinions in particular on the following issues:

- the review of the 2018 annual and consolidated and the 2019 first half financial statements;
- the review of the 2019 first and third quarter financial statements;
- the review of the internal control, the actions carried out by the Internal Audit, and the Risk Map;
- the review of the internal IT control and of the IT systems safety plan; and
- the review of the compliance program.

5.2.3.2 Compensation and Nominations Committee

Composition (Article 11 of the Supervisory Board's Internal regulations)

In accordance with Article 11 of the Supervisory Board's Internal regulations, the Compensation and Nominations Committee must be comprised of two to five members chosen from among the members of the Supervisory Board, with particular consideration given to their independence and their skills with respect to the selection or compensation of corporate officers of listed companies. The Compensation and Nominations Committee may not include any Executive Director of the Company.

The Compensation and Nominations Committee members' terms expire at the same time as their terms on the Supervisory Board; however, the Supervisory Board may at any time change the composition of the Committee and thus end the term of a Committee member.

The composition of the Compensation and Nominations Committee may be modified by the Supervisory Board, acting at the request of its Chairman, and, in any event, must be modified in the event of a change in the general composition of the Supervisory Board.

The Chairman of the Compensation and Nominations Committee is appointed from among the independent members by the Supervisory Board, upon the proposal of the Chairman of the Supervisory Board.

As of the date of this Universal Registration Document, the Nominations and Compensation Committee comprises the four following members, two of which, including the Chairman, are independent members. A member of the Compensation and Nominations Committee is the representative of employees on the Company's Supervisory Board, pursuant to the recommendations of the AFEP-MEDEF Code. As the proportion of independent members within the Compensation and Nominations Committee is a majority, the composition of this Committee complies with the recommendations of the AFEP-MEDEF Code.

Composition of the compensation and nominations Committee

Members	Independence	Attendance rate
Pascal Bazin (Chairman)	✓	100%
Éric Schaefer		100%
Petra Friedmann	✓	100%
Adèle Mofiro	Member representing employees	100%

Duties (Article 1 of the Internal regulations of the Compensation and Nominations Committee)

The Compensation and Nominations Committee is a specialized Committee of the Supervisory Board whose main duty is to assist the Supervisory Board in constituting the Company's management bodies and determine and regularly evaluate the compensation and benefits received by the members of the Management Board, including deferred benefits and/or severance pay for voluntary or forced departure from the Group.

In this context, the Compensation and Nominations Committee carries out the following duties:

- *proposal of candidates for appointment to the Supervisory Board, to the Management Board and to Board Committees* and evaluating the independent nature of the members of the Supervisory Board:
  - the Nominations and Compensation Committee makes proposals for the appointment of members of the Supervisory Board (either by the Shareholders' Meeting or by co-option) and of the Management Board and for the appointment of members and chairpersons of each of the Supervisory Board's committees,
  - concerning the appointment of members of the Supervisory Board, the Committee examines in detail all elements to be taken into account in its deliberation, in particular on the basis of the composition and changes in the shareholder base of the Company, to balance the composition of the Board: gender representation, nationality, international experience, expertise, etc. In particular, the Committee organizes a procedure to select future independent members of the Supervisory Board and conducts its own studies on potential candidates before making any approach to them;
- *implementation of a succession plan for executive corporate officers:*
  - the Compensation and Nominations Committee has drawn up and kept up-to-date a confidential succession plan for the members of the Management Board as well as the members of the Executive Committee, so as to be in a position to quickly propose succession solutions to the Supervisory Board in the event of an unexpected vacancy. Within the performance of the above work, the Committee involves the Chairwoman of the Management Board,
  - the departure of key persons of the management team and of managers of the Group was identified as a risk factor for the Company. To ensure continuity of operations upon foreseen or unforeseen departures or hires, the Compensation and Nominations Committee, assisted by the Human Resources Department, discusses in detail, prepares and keeps up to date a confidential succession plan for the Members of the Management Board as well as the Members of the Group Executive Committee. It works together with the Chairwoman of the Management Board. This plan should enable the Supervisory Board to on the one hand quickly find succession solutions in case of an unforeseen vacancy and on the other hand define the profiles required for potential successors, considering the Group's strategy, its diversity policy and the level of expertise and experience necessary for a successful succession. The Nominations and Compensation Committee then submits a detailed report on the succession plan to the Supervisory Board;
- *annual evaluation of all offices held by the members of the Supervisory Board:*
  - each year prior to the publication of the Company's Annual Report, the Compensation and Nominations Committee examines the status of each member of the Supervisory Board with regard to the rules on the holding of multiple offices and submits its findings to the Supervisory Board so that the Supervisory Board may examine the status of the members as appropriate under these standards;
- *examination and proposal to the Supervisory Board of all components and terms of compensation of the members of the Management Board:*
  - the Committee studies and makes proposals that include the fixed and variable compensation, as well as, if applicable, share subscription or purchase options, free share grants, retirement and pension plans, severance packages, benefits in kind and individual benefits and all other possible direct or indirect compensation (including long-term) that may be included in the compensation of members of the Management Board,
  - the Committee is informed of the compensation policy for the principal executives who are not corporate officers, as well as of the hiring and compensation of the members of the Executive Committee. The Committee works together with the members of the Management Board on this task;

- *evaluation and proposal to the Supervisory Board concerning allocation of attendance fees:*
  - the Committee submits a proposal to the Supervisory Board for the total amount of attendance fees and the allocation terms for the members of the Supervisory Board, taking into account their actual participation on the Board and on the Committees of which they are members, the responsibilities undertaken and the time that they must devote to their duties,
  - the Committee also submits a proposal on the compensation allocated to the Chairman and Vice-Chairman of the Company's Supervisory Board;
- *exceptional duties:*
  - the Committee is consulted by the Supervisory Board to make recommendations on all exceptional compensation related to exceptional duties which may be given by the Supervisory Board to certain of its members.

Committee meetings (Article 2 of the Internal regulations of the Compensation and Nominations Committee and Article 11 of the Supervisory Board's Internal regulations)

The Compensation and Nominations Committee may conduct meetings in person or via video or telephone conference pursuant to the same rules as the Supervisory Board, when convened by its Chairman or secretary of the Committee, so long as at least half of its members participate. Committee members may not give proxies to other members to represent them.

The Compensation and Nominations Committee's recommendations are adopted by a simple majority of the members present. In the event of a tie, the vote of the Committee's Chairman prevails.

The notice of meeting must include an agenda and may be transmitted orally or by any other means.

The Compensation and Nominations Committee meets as often as necessary and, in any event, prior to any meeting at which the Supervisory Board votes on the compensation of the members of the Management Board or the allocation of attendance fees.

The Committee presents its work at the next Supervisory Board meeting. The Supervisory Board then discusses the components of compensation of Management Board members without the latter being present.

ACTIVITY OF THE COMPENSATION AND NOMINATIONS COMMITTEE IN 2019

During the 2019 fiscal year, the Nominations and Compensation Committee met six times, with an overall attendance rate of 100%.

In 2019, the Compensation and Nominations Committee examined and/or issued recommendations where appropriate on the following issues:

- determining variable compensation of the members of the Management Board in respect of the 2018 fiscal year on the basis of the 2018 financial statements;
- setting principles, criteria and elements of compensation for the members of the Management Board for the 2019 fiscal year and notably their fixed compensation and fixing criteria to determine their variable compensation;
- presenting, then launching the draft employee share ownership plan, We Share 2019;
- appointing new members of the Management Board;
- developing policy to retain talent within the Group;
- establishing a succession plan for the members of the Management Board, the Group Executive Committee and the Managing Directors of the Corporate Countries;
- monitoring of the free share grant plans for certain employees and members of the Group's Management Board for 2015, 2017 and 2018;
- the study and the implementation of a free share grant plan for certain employees and members of the Management Board of the Group for fiscal year 2019;
- determining the terms of breakdown of attendance fees for the Supervisory Board; and
- steering the self-assessment of the Supervisory Board and its committees.

5.2.3.3 Strategic Committee

Composition (Article 11 of the Supervisory Board's Internal regulations)

In accordance with Article 11 of the Supervisory Board's Internal regulations, the Strategic Committee must be composed of two to five members chosen from among the members of the Supervisory Board.

The Strategic Committee members' terms expire at the same time as their terms on the Supervisory Board; however, the Supervisory Board may at any time change the composition of the Committee and thus end the term of a Committee member.

The composition of the Strategic Committee may be modified by the Supervisory Board, acting at the request of its Chairman, and, in any event, must be modified in the event of a change in the general composition of the Supervisory Board.

The Chairman of the Strategic Committee is appointed from among the independent members by the Supervisory Board, upon the proposal of the Chairman of the Supervisory Board.

As of the date of this Universal Registration Document, the Strategic Committee comprises the five following members, three of which, including the Chairperson, are independent members. The members of the Strategic Committee were appointed by decision of the Supervisory Board on June 21, 2018.

Composition of the Strategic Committee

Members	Independence	Attendance rate
Jean-Paul Bailly (Chairman)	✓	100%
Patrick Sayer		25%
Petra Friedmann	✓	100%
Virginie Fauvel	✓	100%
Philippe Audouin		100%

Duties (Article 1 of the Strategic Committee's Internal regulations)

The Strategic Committee was created in March 2018 for the purpose of studying and examining the merits of acquisition projects and opportunities for large investments that could facilitate or accelerate the good execution of the Company's development strategy.

The Strategic Committee analyzes in particular the Group's various potential strategic guidelines and options that are likely to favor its development.

It studies and examines the prospective relevance of partnership agreements, acquisition projects or significant investment opportunities that could facilitate or accelerate the good execution of the Company's development strategy,

It studies and issues recommendations on strategic acquisition and investment projects that are subject to the prior approval of the Supervisory Board.

It studies the risks associated with plans projects of development or establishment in countries where the Group is not present.

It is also responsible for issuing recommendations regarding the investments needed to implement each of the strategies contemplated.

It ensures that the strategy adopted and applied by the Management Board is consistent with the strategic orientations adopted by the Company or makes any recommendation to modify this policy.

The Strategic Committee's role is to assist the Supervisory Board. To that end, it issues all opinions and recommendations to the Supervisory Board in the aforementioned areas.

More generally, the Strategic Committee is tasked with identifying and submitting to the Supervisory Board any direction or initiative deemed interesting for the future of the Company, provided that it preserves its operational functioning and ensures the maintenance of the major financial balances.

Committee meetings (Article 2 of the Strategic Committee's Internal regulations and Article 11 of the Supervisory Board's Internal regulations)

The Strategic Committee may conduct meetings in person or via video or telephone conference pursuant to the same rules as the Supervisory Board, when convened by its Chairman or secretary, providing that at least half of its members participate. Committee members may not give proxies to other members to represent them.

The Strategic Committee's recommendations are adopted by a simple majority of members present. In the event of a tie, the vote of the Committee's Chairman prevails.

The notice of meeting must include an agenda and may be transmitted orally or by any other means.

The Committee presents its work at the next Supervisory Board meeting.

ACTIVITY OF THE STRATEGIC COMMITTEE IN 2019

During the 2019 fiscal year, the Strategic Committee met five times, with an overall attendance rate of 85%.

The Strategic Committee was consulted in 2019 and issued recommendations on the major strategic options in terms of transformation, development and acquisitions, and in particular on the preparation of the 2023 strategic plan and the acquisition of Fox in the United States.

5.2.3.4 Ad hoc Committee

Composition

The ad hoc Committee is composed by three independent members in accordance with the AFEP-MEDEF Code. For confidentiality reasons and in order to avoid to its members to be subject to pressures or communication, it has been decided not to disclose their identity.

Duties and meetings

The ad hoc Committee was created during the Supervisory Board meeting on September 18, 2019 to monitor the strategic review process initiated by Eurazeo on behalf of the Supervisory Board.

The ad hoc Committee monitors and reviews the developments of the envisaged sale by Eurazeo of its interest in the Company's share capital, including the review of the list of potential investors, monitoring of the selection of potential investors in the first round, obtaining of information pursuant to the indicative letters of intent, review of the choice of the investor selected in the second round (and subsequent rounds, if applicable), monitoring of the process, informing members of the Supervisory Board, assessing the nature of the information provided to investors, and providing communication.

The ad hoc Committee also analyzes and verifies the respect of rules of good governance during the process, particularly with regard to conflicts of interest and the principle of equality between shareholders. It ensures frequent communications with the Management Board as well as with the financial and legal advisors of the Company and/or the Supervisory Board. It issues opinions and recommendations to the Supervisory Board in the areas falling within the scope of its mission whenever it deems appropriate. Where applicable, the ad hoc Committee may supervise the work of the independent expert that may be appointed by the Company pursuant to Article 261-1 of the General regulation of the French financial markets authority in connection with any transaction resulting from the proposed sale of Eurazeo's interest in the Company's share capital, or from any alternative or competing proposal or project.

ACTIVITY OF THE AD HOC COMMITTEE IN 2019

As part of their duties, the members of this independent ad hoc Committee hold regular discussions with all stakeholders.

During the 2019 fiscal year, the ad hoc Committee met nine times, with an overall attendance rate of 100%.

5.2.4 Report of the Supervisory Board on corporate governance

Report of the Supervisory Board under Article L. 225-68 of the French Commercial Code

In accordance with Articles L. 225-68 and L. 225-37-3 to L. 225-37-5 of the French Commercial Code, the report by the Supervisory Board for the fiscal year ended December 31, 2019 includes the following information:

- comments of the Supervisory Board on the management report prepared by the Management Board and the financial statements for the fiscal year ended December 31, 2019;
- the compensation policy provided for in Article L. 225-37-2 of the French Commercial Code;
- total compensation and benefits of any kind paid during the fiscal year ended December 31, 2019 to the corporate officers, including a description of the fixed, variable and exceptional elements comprising this compensation and benefits as well as the criteria used to calculate them or circumstances applied to grant them and, more broadly, all the information set out in Article L. 225-37-3 of the French Commercial Code;
- commitments of any kind made by the Company to its corporate officers and the terms used to determine these commitments;
- the list of all the terms of office and positions held by each of the Company's corporate officers in other companies during the past fiscal year;
- a statement of the regulated agreements concluded (excluding arm's length agreements) during the fiscal year ended December 31, 2019. These regulated agreements include those entered into directly or through an intermediary by and between (i) one of the corporate officers or one of the shareholders holding more than 10% of the voting rights, and (ii) a subsidiary of the Group as defined by Article L. 233-3 of the French Commercial Code;
- a summary table of currently valid delegations granted by the shareholders' meetings to increase the share capital;
- composition of the Supervisory Board and how it prepares and organizes its work;
- the diversity policy applied to members of the Supervisory Board, the objectives of and methods for implementing this policy, the results obtained, as well as the application of the principle of balanced representation between men and women on the Supervisory Board;
- limitations exercised by the Supervisory Board on the powers of the Management Board;
- the fact that the Company voluntarily applies a Code of Corporate Governance and which provisions have been waived and why;
- specific procedures relating to the participation of shareholders in shareholders' meetings;
- a description of the procedure set out in the second paragraph of Article L. 225-39 of the French Commercial Code allowing regular evaluation to verify that agreements concerning current transactions conducted under normal conditions comply with these conditions and its implementation;
- information provided for under Article L. 225-37-5 of the French Commercial Code.

This Universal Registration Document includes all the items from the report by the Supervisory Board referred to in Article L. 225-68 of the French Commercial Code. References to Sections of this Universal Registration Document corresponding to the various parts of the report by the Supervisory Board can be found below.

The report of the Supervisory Board and the procedures underlying it were approved in their entirety by the Supervisory Board during its meetings of February 24, 2020 and March 20, 2020.

Items from the report on corporate governance	Universal Registration Document Chapter/Section
Comments of the Supervisory Board on the Management Board's report and the financial statements for the fiscal year ended December 31, 2019	3.10
List of all the terms of office and positions in each company held by each of the corporate officers during the fiscal year ended December 31, 2019	5.1.1 5.1.2
Composition of the Supervisory Board and conditions in which it prepares and organizes its work	5.1.2.1 5.1.3 5.2.1 5.2.2 5.2.3 6.2.2.2
Description of the diversity policy applied to members of the Supervisory Board, the objectives of this policy, its implementation methods and results obtained, and description of the application of the principle of balanced representation between men and women on the Supervisory Board.	5.1.3.5
Description of how the Company seeks a balanced representation of women and men on the Executive Committee using measures set up by the Board of Directors to help and the results achieved in terms of gender balance in the 10% of positions with the highest responsibility	5.1.5
Limitation of the powers of the Management Board	6.2.2 5.2.1.2
Reference to the Corporate Governance Code and deviations from the Code	5.1.4
Compensation policy for corporate officers as set out in Article R. 225-29-1 of the French Commercial Code	3.5.1.1 3.5.1.2
Total compensation and benefits of any kind paid to the corporate officers during the fiscal year ended December 31, 2019. The fixed, variable and exceptional components comprising this compensation and benefits as well as the criteria used to calculate them or circumstances applied to grant them. Commitments of any kind made by the Company in favor of its corporate officers.	5.3
Information under Article L. 225-37-3 of the French Commercial Code for each corporate officer, including corporate officers with expired terms of office and those newly appointed in the previous fiscal year.	
Total compensation and benefits of any kind paid by the Company to corporate officers during the fiscal year ended December 31, 2019 by detailing the fixed, variable and exceptional components paid for terms of office held in the past year, or awarded for terms of office in the same fiscal year.	5.3
Proportion corresponding to fixed and variable compensation	5.3
Use of the possibility of requesting the return of a variable compensation	5.3.1.1
Commitments of any kind made by the Company	5.3
Any compensation paid or awarded by a company included in the scope of consolidation as defined by Article L. 233-16 of the French Commercial Code	5.3
Ratios between the compensation level of each of the executives and, on the one hand the average compensation on a full-time basis of the Company's employees other than corporate officers, on the other hand, the median compensation on a full-time equivalent basis of the Company's employees other than corporate officers	5.3
Annual trends in compensation, the Company's performance, average compensation on a full-time equivalent basis of the Company's employees, other than executives, equity ratios, over at least the five most recent fiscal years	5.3
Explanation of how total compensation complies with the adopted compensation policy, including how it contributes to the Company's long-term performance, and how the performance criteria are applied.	5.3
How the vote of the Ordinary Shareholders' Meeting set out in Article L. 225-100 of the French Commercial Code is taken into account	5.3.1.1 5.3.2.1
Deviation with respect to the compensation policy implementation procedure	5.3

Items from the report on corporate governance	Universal Registration Document Chapter/Section
Application of the provisions of the second sub-paragraph of Article L. 225-45 of the French Commercial Code.	5.3.2.2
Specific procedures relating to the participation of shareholders in shareholders' meetings	6.2.5
Table of currently valid delegations granted by shareholders' meetings to increase the share capital showing the utilization of these delegations in the financial year ended December 31, 2019	6.3.5.1
Information provided for in Article L. 225-37-5 of the French Commercial Code	6.6
Agreements concluded (excluding agreements concluded under normal conditions) entered into directly or through an intermediary by and between (i) one of the corporate officers or one of the shareholders holding more than 10% of the voting rights, and (ii) a subsidiary of the Group	7.2
Draft resolutions prepared by the Supervisory Board for approval of the principles and criteria to determine the components of compensation and benefits of all kinds granted to the corporate officers	N/A
Description and implementation of the procedure set out in the second subparagraph of Article L. 225-39 of the French Commercial Code allowing the regular evaluation of the compliance of agreements concerning current transactions conducted at arm's length with these conditions	5.2.3

5.3 COMPENSATION AND BENEFITS OF ALL KINDS TO MEMBERS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

The compensation of the members of the Management Board, as well as that of the members of the Supervisory Board, is determined by the Supervisory Board on recommendation of the Compensation and Nominations Committee.

In its analysis and proposals to the Supervisory Board, the Compensation and Nominations Committee pays particular attention to comply with the recommendations of the AFEP-MEDEF Code.

5.3.1 Compensation of the members of the Management Board

The compensation policy for members of the Management Board is structured so as to respect the Company's corporate interest and continuity. In particular, the quantifiable and qualitative criteria for annual variable compensation and the performance conditions for long-term compensation described below are defined according to the Company's commercial strategy and its multi-year targets.

When a member of the Management Board is appointed, the Supervisory Board determines, upon recommendation of the Compensation and Nominations Committee, all performance conditions associated with the term of office of the new member of the Management Board, and in particular the length of the terms of office and applicable terms of dismissal.

5.3.1.1 Compensation principles of the members of the Management Board for fiscal year 2020

All components of compensation of the members of the Management Board are examined and decided each year by the Supervisory Board, upon recommendation of the Compensation and Nominations Committee, thereby guaranteeing the absence of any potential conflict of interest. Decisions on the compensation of the members of the Management Board are taken considering the following elements: the responsibilities of the members of the Management Board, performance, applicable regulations, the recommendations of the AFEP-MEDEF Code and market practices.

The compensation of the members of the Management Board takes into account the principles of comprehensiveness, balance, comparability, coherence, intelligibility and measure, in accordance with the recommendations of the AFEP-MEDEF Code.

Four studies conducted in 2016, 2017, early and late 2018, by an independent firm specializing in compensation analyses helped to determine all of the components of compensation of the members of the Management Board.

Given the accelerated transformation of the Group since 2016 and in the context of the renewal of the terms of office of Ms. Caroline Parot as Chief Executive Officer and of Mr. Fabrizio Ruggiero as Chief Executive Officer and member of the Management Board, the Supervisory Board meeting of December 21, 2018, reviewed the compensation conditions and structure of the members of the Management Board upon the recommendation made by the Nominations and Compensation Committee on December 11, 2018.

As such, during its deliberations on compensation policy trends in 2019 and the following years for the members of the Management Board, the Supervisory Board, on the recommendation of the Nominations and Compensation Committee, took into account the following changes to the scope of consolidation since 2016:

- growth in revenue from €2.1 billion to €3 billion in 2019;
- an increase in the number of employees from 7,000 to more than 12,000 in 2019; and
- the internationalization of the Group, which is present in more than 130 countries and territories, including 21 Corporate Countries in 2019.

The principle of the comparative studies carried out by the independent firm, updated at the end of 2018, was to compare the compensation of members of the Management Board with those of a sample of comparable companies on the local market and with a sample of comparable companies internationally, established by the consultancy.

At the end of 2019, the sample of comparable companies on the French market was the SBF 80 for all members of the Management Board, except for Fabrizio Ruggiero. The sample of local companies for Mr. Fabrizio Ruggiero comprised 20 Italian companies comparable with the Group in terms of revenue, headcount, international scope and sectors (tourism, vehicle rental, services, digital services, mobility, etc.) listed below – Atlantia, Autogrill, Brembo, Candy Group, Chiesi, Coesia, Enel, ERG, Fincantieri, GKN, ITT Italy, Parmalat, Poste Italiane, Recordati, Saipem, Salini Impregilo, Snam, Vodafone, Whirlpool Italy, Yoox Net-à-Porter.

The international sample established by the independent firm comprised 21 companies comparable with the Group in terms of revenue, headcount, international scope and sectors (tourism, vehicle rental, services, digital services, mobility, etc.). Three of these companies are the Group's principal competitors (two with their headquarters in the United States and one with its headquarters in the European Union). The remaining 18 companies have their headquarters in the European Union and included: Telenet, Accor Hotels, Gemalto, Ingenico, Solocal, TF 1, Technicolor, CTS Eventim, DHL, Aer Lingus, Leaseplan, Amadeus, Tui Travel, British Telecom, Compass, Intercontinental Hotels, Paddy Power, Thomas Cook.

All compensation components (fixed annual, variable annual and long-term compensation) and the balance between them have been analyzed and taken into account to determine the Management Board members' compensation.

Compensation structure

The compensation for each member of the Management Board, as renewed by the Supervisory Board at its February 24, 2020 meeting, comprises the following components:

- fixed annual compensation payable over a period of twelve months;
- annual variable compensation expressed as a percentage of the fixed annual compensation;
- free share grants, where appropriate; and
- benefits in kind.

The members of the Management Board may also receive compensation under the non-compete clause as described in Section 5.3.1.7 of this Universal Registration Document. The Chief Executive Officer may receive compensation for forced termination of her office, the amount of which is based on the terms and conditions discussed in Section 5.3.1.6 of this Universal Registration Document.

SUMMARY OF PRINCIPLES AND CRITERIA APPROVED BY THE SHAREHOLDERS' MEETING OF APRIL 26, 2019

The principles and criteria for determining, allocating and awarding fixed, variable and exceptional components comprising total compensation and the benefits of all kinds that may be granted to the Chairwoman of the Management Board, the Deputy Chief Executive Officer as well as the other members of the Management Board and other members of the Management Board for fiscal year 2019 were approved by the shareholders meeting of April 26, 2019 (18th to 20th resolutions).

Fixed compensation 2020

The fixed compensation for each of the members of the Management Board reflects the responsibility that they assume and their respective expertise. This is consistent and takes into account the attractiveness of this compensation against the market.

A review of the fixed compensation for members of the Management Board is, in the same way as all components of compensation for members of the Management Board, conducted annually by the Supervisory Board on recommendation of the Nominations and Compensation Committee, and on the basis of a comparative study conducted by an external firm. The frequency of the changes in the fixed compensation of each of the members of the Management Board will depend on any differences that may be noted at the beginning of each fiscal year between the responsibilities assumed and the respective expertise of each of the members of the Management Board on the one hand, and the market analyses on the other, while still complying with the recommendations of the AFEP-MEDEF Code.

The comparative study carried out at the end of 2018 revealed a discrepancy between the fixed compensation received by Ms. Caroline Parot and Mr. Fabrizio Ruggiero and the compensation obtained from market analysis. Taking into account the findings of this study and given the significant augmentation in the responsibilities of the members of the Management Board due to the increased size of the Group, on the recommendation of the Compensation and Nominations Committee on December 11, 2018, the Supervisory Board decided on December 21, 2018 to raise the fixed annual compensation of Ms. Caroline Parot and Mr. Fabrizio Ruggiero as of May 1, 2019.

This adjustment in the fixed compensation of these members of the Management Board to be applied in 2019 was part of the three-year review and is consistent with the events that have affected the Company since 2016 as well as market practices, in accordance with the compensation policy adopted by the Shareholders' Meeting of May 10, 2017. In addition, the Supervisory Board agreed to the principle that this fixed compensation could only be revised at the end of the three-year review period unless an early review is called for due to a particular event (such as a change in scope or a significant difference with the reference panel) that would justify such a modification, which would have to be explained by the Supervisory Board and made public.

Pursuant to the principle that the fixed compensation of members of the Management Board may only be reviewed after a three-year period, given that the fixed compensations of Ms. Caroline Parot and Mr. Fabrizio Ruggiero had been reviewed on May 1, 2019 and lastly that Mr. Olivier Baldassari and Mr. Albéric Chopelin have been in the Group for less than three years, there was no proposal to adjust the fixed compensation of a member of the Management Board in 2020.

The comparative study entrusted to an independent firm during the final quarter of 2018 revealed a certain discrepancy in the annual fixed compensation of Ms. Caroline Parot compared with French and international market compensation levels. As the discrepancy noted was more than 25% compared with the median of the SBF 80 French companies' sample and more than 45% compared with the median of the international sample of 21 comparable companies, the Supervisory Board decided, upon recommendation of the Nominations and Compensation Committee, to adjust Ms. Caroline Parot's annual fixed compensation in 2019, which has thus been raised to €575,000 starting from May 1, 2019, i.e. an increase of 12.7% on her annual fixed compensation for 2017 and 2018, while still remaining below the median of the companies sampled. The Supervisory Board at its meeting of February 24, 2020 decided, upon the recommendation of the Compensation and Nominations Committee, to keep this fixed annual compensation for the 2020 fiscal year unchanged.

In light of the Covid-19 epidemic, Ms. Caroline Parot has decided to cut her fixed annual compensation for 2020 by 25% as from April 1, 2020 and until the end of 2020. Her projected fixed annual compensation for 2020 will thus be €467,200.

The comparative study entrusted to an independent firm during the final quarter of 2018 revealed a discrepancy in Fabrizio Ruggiero's annual fixed compensation compared with Italian and international market compensation rates. As this discrepancy was more than 12% compared with the median of the sample of comparable companies on the Italian market and more than 30% compared to the median of the international sample of comparable companies, the Supervisory Board decided, on the recommendation of the Nominations and Compensation Committee, to adjust Fabrizio Ruggiero's annual fixed compensation in 2019, which was accordingly raised to €415,000 starting from May 1, 2019, i.e. an increase of 12.2% compared with his annual fixed compensation for 2018. The Supervisory Board at its meeting of February 24, 2020 decided, upon the recommendation of the Compensation and Nominations Committee, to keep this fixed annual compensation for the 2020 fiscal year unchanged.

In light of the Covid-19 epidemic, Mr. Fabrizio Ruggiero has decided to cut his fixed annual compensation for 2020 by 25% as from April 1, 2020 and until the end of 2020. His projected fixed annual compensation for 2020 will thus be €337,200.

The fixed annual compensation of Mr. Olivier Baldassari for 2019 totaled €330,000. The Supervisory Board at its meeting of February 24, 2020 decided, upon the recommendation of the Compensation and Nominations Committee, to keep this fixed annual compensation for the 2020 fiscal year unchanged.

In light of the Covid-19 epidemic, Mr. Olivier Baldassari has decided to cut his fixed annual compensation for 2020 by 25% as from April 1, 2020 until the end of 2020. His projected fixed annual compensation for 2020 will thus be €268,125.

The fixed annual compensation of Mr. Albéric Chopelin for 2019 from the time he joined the Group totaled €400,000 on a *prorata temporis* basis. The Supervisory Board at its meeting of February 24, 2020 decided, upon the recommendation of the Compensation and Nominations Committee, to keep this fixed annual compensation for the 2020 fiscal year unchanged.

In light of the Covid-19 epidemic, Mr. Albéric Chopelin has decided to cut his fixed annual compensation for 2020 by 25% as from April 1, 2020 until the end of 2020. His projected fixed annual compensation for 2020 will thus be €325,000.

Annual Variable Compensation 2020

The annual variable compensation of the members of the Management Board is aimed at involving them in the Group's performance. In accordance with the AFEP-MEDEF Code, the variable compensation of each of the members of the Management Board corresponds to a percentage of their annual fixed compensation. Annual variable compensation of the members of the Management Board is intended to take into account their individual performances and the Company's performance and is based on qualitative and quantifiable performance criteria set individually for each member of the Management Board. The analysis of performance based on diverse predetermined criteria is assessed in relation to the Company's objectives, shareholders' interests and additionally, implementation of the Company's strategy. Refer to the paragraphs in (B) of Section 5.3.1.2 "*2019 variable compensation of members of the Management Board*" for more information on the 2019 fixed compensation for the members of the Management Board.

The Target Variable Compensation of each of the members of the Management Board corresponds to 100% of the amount of his or her fixed annual compensation, it being specified that their Annual Variable Compensation of the maximum coefficient associated with the Net Promoter Score, 155% of their fixed annual compensation. In addition, the number of performance shares that can be awarded to Ms. Caroline Parot in 2019 in her capacity as Chairwoman of the Management Board and to Mr. Fabrizio Ruggiero as member of the Management Board and Deputy Chief Executive Officer represents 150% of their fixed annual compensation. It represents 100% of the fixed annual compensation of the other members of the Management Board. As such, the maximum annual and multi-year variable compensation of Ms. Caroline Parot and Mr. Fabrizio Ruggiero in respect of 2020 is capped at 305% of their fixed annual compensation. The maximum annual and multi-year variable compensation of the other members of the Management Board for the 2020 fiscal year is capped at 255% of their fixed annual compensation.

Description of the components of annual variable compensation in 2020

The principles and criteria of the annual variable compensation (hereafter, the "**Annual Variable Compensation**") of the Chairwoman and the Management Board and the other members of the Management Board are determined and reviewed every year by the Supervisory Board, on the recommendation of the Compensation and Nominations Committee, in compliance with the applicable legal provisions and the recommendations of the AFEP-MEDEF Code.

The Supervisory Board on February 24, 2020, upon recommendation of the Nominations and Compensation Committee on February 21, 2020, decided to renew the principles implemented in 2019 and adopt the qualitative and quantifiable criteria applicable for 2020, as described below.

The Annual Variable Compensation is expressed as a percentage of the fixed annual compensation.

The "**Target Variable Compensation**" of a member of the Management Board corresponds to achievement of 100% of the objectives set on quantifiable and qualitative criteria defined by the Supervisory Board and represents 100% of the annual fixed compensation.

Each quantifiable criterion is described with three performance levels that enable its degree of achievement to be assessed: minimum, target and maximum. The performance levels for each quantifiable criterion were examined and approved by the Supervisory Board, on the recommendation of the Compensation and Nominations Committee. The degree of achievement of each criterion shall be approved in 2021 by the Supervisory Board upon recommendation of the Compensation and Nominations Committee during examination of the fiscal year 2020 financial statements, with linear interpolation between the defined levels.

The qualitative criteria established and defined individually in a precise and objective way by the Supervisory Board, upon proposal of the Compensation and Nominations Committee, cover the specific responsibilities of each member of the Management Board and the main group transformation projects for 2020. Moreover, the Supervisory Board also decided to renew the weighting of the quantifiable criteria applicable in 2020, under identical terms and conditions to those applicable in 2019.

The first step in calculating the Annual Variable Compensation shall consist in determining the degree to which the objectives relating to the qualitative and quantifiable performance criteria are achieved (hereafter, the "**Basic Variable Portion**"). This Basic Variable Portion is then adjusted upwards or downwards by applying a multiplier based on the degree of achievement by the Group of the quantifiable annual customer recommendation target, the Net Promoter Score, of the Group.

For the fiscal year 2020, the Basic Variable Portion of the Chairwoman and the other members of the Management Board may vary between 0% and 135% of their fixed annual compensation depending on the degree to which objectives relating to the quantifiable and qualitative criteria set by the Supervisory Board are achieved. After applying the coefficient linked to the Net Promoter Score, their Annual Variable Compensation can reach up to a maximum of 155% of their fixed annual compensation.

Qualitative and quantifiable criteria 2020
(as decided by the Supervisory Board on February 24, 2020)

	Weighting in the event that the target level of criteria is reached	Weighting in the event that the maximum level of criteria is reached
Qualitative criteria	30%	30%
Group EBITDA	40%	60%
Total revenue	15%	22.50%
Consolidated net profit	15%	22.50%
Total before application of the target coefficient linked to the Net Promoter Score	**100%**	**135%**
Total after application of the maximum coefficient linked to the Net Promoter Score	**115%**	**155%**

APPLICATION OF A MULTIPLIER BASED ON THE ACHIEVEMENT BY THE GROUP OF A NET PROMOTER SCORE

For all of the members of the Management Board, including its Chairwoman, in the event the Group improves the Net Promoter Score by more than 10% of the objective, a maximum multiplier of 1.15x is applied to the Basic Variable Portion, making it possible for their Annual Variable Compensation to reach up to 155% of the fixed annual compensation. Conversely, in the event that the Net Promoter Score is unsatisfactory and below 10% of the objective, the minimum multiplier of 0.85x will be applied to the Basic Variable Portion. The multiplier is calculated by linear interpolation between the limits 0.85-1.15 on the basis of the change in the Net Promoter Score within the interval -10%/+10%.

DESCRIPTION OF THE QUANTIFIABLE CRITERIA 2020

The Supervisory Board which met on February 24, 2020, decided, on the recommendation of the Nominations and Compensation Committee of February 21, 2020 to apply the identical quantifiable criteria for all members of the Management Board.

The quantifiable criteria and their weighting for the Chairwoman and the other members of the Management Board, as detailed below, will represent 70% of their Target Variable Compensation, and may vary between 0% and 105% of the fixed annual compensation depending on the degree of achievement of the objectives relating to these criteria:

(i) adjusted Corporate EBITDA (including the Urban Mobility Business Unit and excluding non budgeted new acqistions) (Group EBITDA), this criterion represents 40% of the Target Variable Compensation and may vary between 0% and 60% of the fixed annual compensation depending on the degree to which this criterion is reached;

(ii) revenue (Top Line), this criterion represents 15% of the Target Variable Compensation and may vary between 0% and 22.5% of the fixed annual compensation depending on the degree to which this criterion is achieved; and

(iii) consolidated net profit, this criterion represents 15% of the Target Variable Compensation and may vary between 0% and 22.5% of the fixed annual compensation depending on the degree to which this criterion is achieved.

In light of the situation and the resulting shutdown and confinement decisions made by several European governments, the Group considers that the 2020 targets associated with these criteria are no longer relevant and that it is too early to assess the impact of the current crisis on its short- and medium-term ambitions. This impact will depend on the duration of the pandemic and the speed with which local economies will recover.

The new quantifiable objectives for 2020 corresponding to each of the aforementioned criteria will be set by the Supervisory Board as soon as a new forecast for fiscal year 2020 has been established for the Group in a stabilized environment; the objectives will be in line with this forecast.

These new elements will be communicated to shareholders and duly justified, in particular with regard to their alignment with the Group's performance, shareholders' interests and the corporate interest, and will remain subject to a binding ex post vote by shareholders at the Shareholders' Meeting approving the financial statements for the fiscal year ending December 31, 2020.

DESCRIPTION OF THE 2020 QUALITATIVE CRITERIA

The qualitative criteria were established and defined individually and precisely for each member of the Management Board by the Supervisory Board on the recommendation of the Compensation and Nominations Committee.

Given that the Covid-19 epidemic is expected to have a material impact on the Group's business, operating income and financial performance, the Supervisory Board decided on an exceptional basis to define three identical qualitative objectives for Management Board members for 2020, regarding:

- operational execution, with the definition and implementation of immediate short-term response plans to address the impact of the Covid-19 epidemic on the Group's business and financial position;
- operational execution, with the definition and implementation of Group business recovery plans at the end of the Covid-19 epidemic; and
- corporate social responsibility, with the implementation of the "Making mobility accessible" and "Being a responsible employer" priorities.

With respect to fiscal year 2020, the qualitative criteria of the Basic Variable Portion of the Chairwoman and the other members of the Management Board will represent 30% of their Target Variable Compensation and may vary from 0% to 30% based on the degree to which the objectives relating to of these criteria are achieved.

No proposal has been made for the Company to ask members of the Management Board to return all or part of their annual variable compensation.

Discretionary powers of the Supervisory Board

Upon recommendation of the Compensation and Nominations Committee, the Supervisory Board reserves the right to exercise its discretionary powers to determine the compensation of members of the Management Board, in accordance with Article L. 225-82-2 I of the French Commercial Code and Article L. 225-100 of the French Commercial Code, in the event of the occurrence of special circumstances that are unforeseeable and not reflected in the variable compensation criteria, such as the Covid-19 outbreak that began in China in December 2019, which could justify the exceptional adjustment by the Supervisory Board, either upward or downward, of one or more of the criteria making up variable compensation so as to ensure that the results of the application of the criteria described above reflect both the performance of the members of the the Management Board and that of the Group. This adjustment could be made on the variable compensation of members of the Management Board by the Supervisory Board upon a proposal by the Compensation and Nominations Committee, up to the ceiling relating to variable compensation, i.e. 155% of fixed compensation, after the Supervisory Board has duly justified its decision. Where necessary, information will be communicated on how the Supervisory Board may use this power.

Shareholders' approval of the compensation policy for members of the Management Board

In application of Article L. 225-82-2 of the French Commercial Code, the Company's Annual Shareholders' Meeting of June 12, 2020, will be asked to approve the compensation policy for member of the Management Board as described in this section of the Universal Registration Document.

Moreover, payment of the variable components of compensation granted to each member of the Management Board for fiscal year 2020 shall be made subject to approval by the Annual Shareholders' Meeting called in 2021 to approve the Company's financial statements for the fiscal year ended December 31, 2020.

Long-term compensation: performance shares

In accordance with the compensation policy set out above, the Group wishes to involve the members of the Management Board and certain employees in the Group's long-term performance through the granting of performance shares. These grants in particular align the shareholders' interests, corporate interests and those of management. The long-term compensation policy for members of the Management Board takes the form of the allocation of free shares to members of the Management Board, subject to performance and attendance conditions, for a period of three years in the form of performance share plans set up by the Management Board with the authorization of the Supervisory Board.

On this basis, while reviewing the principles for determining Management Board member compensation for 2020, the Supervisory Board maintained the principle of allocating performance shares to each member of the Management Board. The allocation of these shares is subject to long-term financial and stock market performance conditions, with the view to align the interests of management with those of shareholders.

Upon the recommendation of the Compensation and Nominations Committee on February 21, 2020, the Supervisory Board at its meeting on February 24, 2020 decided the renewal of the following principles related to the allocation of performance shares of the members of Management Board, including the Chairwoman, and to their vesting: the allocation could represent annually up to 150% of the fixed annual compensation for the Chairwoman of the Management Board, a member of the Management Board and Deputy Chief Executive Officer, and up to 100% annual fixed compensation for the other members of the Management Board, in accordance with the recommendations of the AFEP-MEDEF Code and in line with market practices observed for SBF 120 companies.

The acquisition of performance shares granted to the Chairwoman of the Management Board and to other members of the Management Board, following a three-year vesting period, is subject to the following two conditions:

- the beneficiary's presence in the Group throughout the vesting period as from the grant date, this vesting period being at least three years; and
- the financial and stock market performances evaluated over a period of three years.

Each member of the Management Board is subject to the specific retention obligations described in Sections 5.3.1.3.1 to 5.3.1.3.4 of the present Universal Registration Document.

Refer to Sections 5.3.1.3.1, 5.3.1.3.2 and 5.3.1.3.3 for more information on the granting of free shares to members of the Management Board in 2017 and 2018 and 2019 and to Section 5.3.1.3.4 for more information on the granting of free shares to members of the Management Board in 2020.

Benefits in kind

For the 2020 fiscal year, the Chief Executive Officer is provided with a company car, health/provident insurance, an annual health check and corporate officer unemployment insurance.

Mr. Olivier Baldassari is provided with a company car, an annual health check as well as health and provident insurance for Group employees.

Mr. Fabrizio Ruggiero is provided with a company car, an annual health check, a foreign service allowance and company accommodation in Paris, as well as an annual health check and an additional accident and health insurance.

Mr. Albéric Chopelin benefits from a company car and an annual medical check-up, as well as the same health and welfare coverage as the Group's employees.

Termination benefits and non-compete indemnities

At the time of the renewal of the terms of office as members of the Management Board of Ms. Caroline Parot and Mr. Fabrizio Ruggiero, and the appointment of Mr. Olivier Baldassari as a new member of the Management Board for a period of four years, decided by the Supervisory Board at its meeting of December 21, 2018, on the recommendation of the Compensation and Nominations Committee on December 11, 2018, and the appointment of Mr. Albéric Chopelin as a member of the Management Board by decision of the Supervisory Board on January 31, 2019 on the recommendation of the Compensation and Nominations Committee on January 29, 2019, the Supervisory Board did not deem it necessary to specify that the non-competition clause may be exercised by the Company or excluded if any member of the Management Board wished to exercise their rights to retirement or remain in office beyond the age of 65 given that, in light of the actual age of the Management Board's members, this will not happen before at least 10 or 15 years.

The Supervisory Board decided however to respect this AFEP-MEDEF Code recommendation relative to the appointments or term-of-office renewals of Directors for which Management Board members could exercise their rights to retirement or remain in office beyond the age of 65.

Indemnities arising from the termination of a Management Board member's functions or due to a non-competition clause are respectively presented in Sections 5.3.1.6 and 5.3.1.7 of this Universal Registration Document.

5.3.1.2 Composition of the compensation of the members of the Management Board in respect of fiscal year 2019

Shareholders' approval of components of compensation due or awarded to members of the Management Board in respect of fiscal year 2019

The component parts of the compensation due or allocated to the members of the Management Board for fiscal year 2019 as presented in this Section 5.3.1.2 of this Universal Registration Document will be submitted, pursuant to Article L. 225-100 of the French Commercial Code, for the approval of the shareholders at the Annual Shareholders' Meeting to be held on June 12, 2020.

The total compensation of each member of the Management Board, and all components comprising such compensation that are described below, comply with the approved compensation policy, and reflect the Company's performance in 2019.

A) FIXED COMPENSATION OF MEMBERS OF THE MANAGEMENT BOARD IN 2019

In the light of the compensation principles described in Section 5.3.1.1 above, the fixed annual compensation received by the members of the Management Board for the 2019 fiscal year is as follows:

- the fixed annual compensation of Ms. Caroline Parot for the 2019 fiscal year totaled €510,000 euros per year from January 1, 2019 to April 30, 2019, then €575,000 euros per year from May 1, 2019 to December 31, 2019, corresponding on a *prorata temporis* basis to a total of €553,336 for 2019;
- the fixed annual compensation of Mr. Fabrizio Ruggiero for the 2019 fiscal year totaled €370,000 euros per year from January 1, 2019 to April 30, 2019, then €415,000 euros per year from May 1, 2019 to December 31, 2019, corresponding on a *prorata temporis* basis to a total of €401,154 for 2019;
- the fixed annual compensation for Mr. Olivier Baldassari for the 2019 fiscal year amounts to €329,113; and
- the fixed annual compensation of Mr. Albéric Chopelin for the 2019 fiscal year totaled €400,000 euros per year since she joined the Group on April 15, 2019, corresponding on a *prorata temporis* basis to a total of €284,450 for 2019.

B) VARIABLE COMPENSATION OF MEMBERS OF THE MANAGEMENT BOARD IN 2019

In the light of the compensation principles described in Section 5.3.1.1 above, the annual variable compensation due to the members of the Management Board for the 2019 fiscal year is as follows:

Ms. Caroline Parot's three qualitative objectives were related to strategy, in particular the improvement of the Total

Shareholder Return (TSR) relative to fiscal 2019; operational implementation with, firstly, the deployment of the first phase of the Click & Go improvement program and the digitalization of the customer experience and, secondly, the implementation of the lean and standardization program on operational structures HQ2020 and Corporate Social Responsibility, on the one hand, with the deployment of the Group's Commit Together program, which incorporates Europcar's social, societal and environmental responsibility goals and was launched in 2018 across the entire Group, and, on the other hand, the launch of the Group's Diversity programs.

Mr. Fabrizio Ruggiero's three objectives were related to strategy with, firstly, the definition of the Cars Business Unit strategy, and secondly, the deployment of the New Mobility Business Unit; operational implementation, in particular with the responsibility of rolling out the Group's profitability improvement programs; and Corporate Social Responsibility with the Group-wide roll out of values and diversity programs.

Mr. Olivier Baldassari's three objectives were related to strategy with the finalization of the network operations strategy in the operating countries taking into account the deployment of the Click & Go program; operational implementation, in particular the lean and standardization program on operational structures HQ2020, the Corporate Social Responsibility, in particular the deployment of the Commit Together program in all Group countries.

Mr. Albéric Chopelin's three objectives were related to strategy, with the review of the Group's marketing strategy; operational implementation and in particular the continued improvement of customer experience with the second phase of the Click & Go program; and Corporate Social Responsibility with participation in the Group's various programs designed to communicate common values.

For fiscal year 2019, the qualitative criteria of the Basic Variable Compensation of the Chairwoman of the Management Board and other members of the Management Board represent 30% of their Target Variable Compensation and may vary from 0 to 30% of the fixed annual compensation depending on the degree of achievement of their individual objectives.

The Group achieved a Net Promoter Score in 2019 of 49.62%, i.e. in line with the target objective set, and the resulting multiplier is 101%.

Determination of the annual variable compensation in respect of the 2019 fiscal year

On February 24, 2020, the Supervisory Board, on the recommendation of the Compensation and Nominations Committee on February 21, 2020, (i) assessed and approved the level of achievement of the quantifiable and qualitative criteria objectives for 2019 for each member of the Management Board, as presented in the table below (ii) noted the Group's Net Promoter Score for the fiscal year 2019, then (iii) set the Annual Variable Compensation after application of the multiplier coefficient related to the level of the Net Promoter Score achieved.

The Supervisory Board at the abovementioned meeting approved the actions of each of the members of the Management Board in 2019 and set out the reasons for the decision on the degree of achievement of the qualitative criteria for each of them.

An assessment of the levels of achievement of each of the individual objectives of the members of the Management Board would have led to a variable payment in respect of 2019.

The Management Board proposed to the Supervisory Board, given the global financial results of the Group, not to pay a variable. The Supervisory Board, while acknowledging that part of the 2019 qualitative objectives has been achieved, recommends that this position be followed.

The degree of achievement of the objectives for the 2019 qualitative and quantifiable criteria of each of the members of the Management Board is shown in the table below.

	Degree of achievement of the objectives			
Criteria	Caroline Parot	Fabrizio Ruggiero	Olivier Baldassari	Albéric Chopelin
Qualitative criteria	0%	0%	0%	0%
Group EBITDA	0%	0%	0%	0%
Total revenue	0%	0%	0%	0%
Consolidated net profit	0%	0%	0%	0%
Total before application of the coefficient linked to the net promoter score	**0%**	**0%**	**0%**	**0%**
Total after application of the 2018 coefficient linked to the net promoter score	**0%**	**0%**	**0%**	**0%**

The annual variable compensation due to Ms. Caroline Parot for the 2019 fiscal year is €0.

The annual variable compensation due to Mr. Fabrizio Ruggiero for the 2019 fiscal year is €0.

The annual variable compensation due to Mr. Olivier Baldassari for the 2019 fiscal year is €0.

The annual variable compensation due to Mr. Albéric Chopelin for the 2019 fiscal year is €0.

The amounts corresponding to fiscal year 2019 compensation for members of the Management Board are detailed in the tables in Section 5.3.3 "*Summary of the compensation and benefits of corporate officers*" of this Universal Registration Document.

C) LONG-TERM COMPENSATION: FREE SHARES

Refer to Section 5.3.1.3.3 regarding free shares granted to members of the Management Board in respect of fiscal year 2019.

D) EXCEPTIONAL BONUS

No exceptional bonus has been paid or granted to the members of the Management Board with respect to fiscal year 2019.

E) BENEFITS IN KIND IN 2019

The Chairwoman of the Management Board is provided with a company car, health/provident insurance, an annual health check and mandatory corporate officer unemployment insurance subscribed for on her behalf.

Mr. Fabrizio Ruggiero was provided with a company car, an annual health check, a foreign service allowance and company accommodation in Paris, as well as additional accident and health insurance.

Mr. Olivier Baldassari was provided with a company car, health/provident insurance, and an annual health check.

Mr. Albéric Chopelin was provided with a company car, health/provident insurance, and an annual health check.

5.3.1.3 Long-term compensation: Performance share grants

Purpose of the performance share allocation

The purpose of granting performance shares is first of all to personally link the Company's worldwide management, in particular the corporate officers, with the development of the Company's value, by giving them a stake in the Company's ownership. It also makes it possible to distinguish the contributing executives, through their particularly positive contribution to the Company's results. Lastly, it serves to increase the loyalty of the executives whom the Company particularly values, especially those with strong potential.

Performance share allocation policy

The allocation is differentiated based on (i) the beneficiaries' level of responsibility and contribution, (ii) the assessment of their performance, (iii) their results, and (iv) the assessment of their development potential. The persons eligible for the grant of a free share are as follows:

- members of the Management Board;
- senior executives who are members of the Group's Executive Committee and the heads of the Corporate Countries. They benefit in principle from variable allocations, based on their level of responsibility, performance and results. Certain executives may not be beneficiaries;
- other management beneficiaries, who are most frequently senior managers and managers with high potential for – professional or managerial development or expertise.

5.3.1.3.1 Performance share grants in 2017

The Supervisory Board of February 24, 2017, upon recommendation of the Compensation and Nominations Committee of February 22, 2017, decided to authorize the Management Board to implement a free share plan for managers and certain employees of the Group (the "AGA 2017 Plan"). The conditions for the grant of shares, as well as the plan's main terms and conditions are as follows:

(i) the acquisition of these performance shares, following a vesting period of two years (or three years for non-French residents), was subject to the beneficiary's continued employment with the Group on the vesting date, and the weighting of related performance conditions, for the years ended December 31, 2017 and December 31, 2018, (i) Corporate EBITDA accounts for 40% of the number of shares granted, (ii) revenue for 40% of the number of shares granted, and (iii) Total Shareholder Return (TSR) for 20% of the total number of shares granted; As the first two criteria related to Corporate EBITDA in the budget, they cannot be rendered public for reasons of confidentiality, although it should be noted that these are in line with market expectations.

Relative TSR was measured by comparing the performance of Europcar Mobility Group with a composite index formed in equal thirds by the SBF 120, a notional index tracking the stock market performance of the Company's three main competitors in car rental and the STOXX 600 Travel and Leisure index. The comparison was made by measuring market performance and the performance of the composite index at 31 December 2017 and December 31, 2018 with the December 31, 2016 baseline. To limit the impact of price volatility, relative TSR was calculated based on average closing prices over one month (from December 1 to December 31 of 2016, 2017 and 2018).

A trigger threshold is defined for each performance criterion, reaching this threshold triggering the final grant of 80% of the shares associated with the performance criteria, subject to continued employment. The trigger thresholds corresponding to objectives equivalent to the Company's guidance.

The number of shares vested depends on the percentage of objectives achieved, it being specified that fulfillment of the performance criteria is binary in that if the criterion is not fulfilled, the fraction of the rights attached to the objective concerned will not be due and the related amount of shares will not be vested;

(ii) when the vesting period is equal to 2 years, a one-year retention period is required for free shares. No retention period is required when the vesting period is equal to 3 years;

(iii) pursuant to Article L. 225-197-1 II of the French Commercial Code:

- the Chairperson shall retain a number of free shares equal to the lesser of (i) one-third of the shares granted and (ii) a number of free shares awarded under the regulations of said plan or any another share plan representing an amount equivalent to three (3) times the amount of her fixed annual compensation, bearing in mind that the Chairperson of the Management Board shall be required in all cases to retain a minimum of one granted share until she leaves office, and
- the Deputy CEOs of the Company shall each be required to retain a number of free shares equal to the lesser of (i) one-third of the shares granted and (ii) a number of free shares granted under the

regulations of said plan, or under any another share plan, representing an amount equivalent to two (2) times the amount of their respective fixed annual compensation, bearing in mind that the Deputy CEOs shall in all cases be required to retain a minimum of one granted share until they leave office.

Each beneficiary of the Free Shares 2017 Plan has made a personal commitment not to resort to the use of hedging instruments prior to the end of the share retention period provided for under the terms of said plan. To the Company's knowledge, no hedging instruments were set up as of the date of this Universal Registration Document.

591,000 free shares were granted to 119 beneficiaries by the Management Board under the 2017 Free Shares Plan including 195,400 to the members of the Management Board (after prior authorization from the Supervisory Board), i.e. 0.37% of share capital on the date of this Universal Registration Document.

Upon recommendation of the Compensation and Nominations Committee of March 16, 2018, the Management Board acknowledged on March 20, 2018 that the performance condition linked in particular to TSR was not fulfilled for the 2017 fiscal year. After consulting the Compensation and Nominations Committee on February 19, 2019, the Management Board on March 19, 2019 noted the non-fulfillment of the performance condition associated in particular with the TSR for the 2018 fiscal year. and noted that the revenue-related performance conditions (40% of the targets) and Corporate EBITDA (40% of the targets) were attained. The number of shares vested by each member of the Management Board on March 16, 2019 is presented in Table 7 of Section 5.3.3 of this Universal Registration Document. 80% of the shares allocated under the AGA 2017 Plan was made through the granting of treasury shares, i.e., a total of 395,920 shares.

5.3.1.3.2 Performance share grants in 2018

LEGAL FRAMEWORK

The Annual shareholders meeting of May 10, 2016, pursuant to its 12th resolution, has authorized the Management Board to proceed, on one or more occasions, with free grants of existing or future shares (called performance shares) in favor of the corporate officers and certain employees of the Company and of related companies, under the conditions set out in Article L. 225-197-1 et seq. of the French Commercial Code. The allocation of performance shares is conditional upon compliance with the performance criteria defined when the budgets are constructed.

MAIN TERMS AND CONDITIONS OF THE 2018 ALLOCATION OF PERFORMANCE SHARES

Consistent with the principles described in Section 5.3.1.1 "*Compensation principles of the members of the Management Board*" of this Universal Registration Document, the Supervisory Board examined and authorized on March 20, 2018 the main terms and conditions for free share grant plan to implement in 2018 for members of the Management Board, executive corporate officers and certain other managers of the Group (the "**Free Shares 2018 Plan**").

The acquisition of these free shares, following a vesting period of three (3) years (for French residents and non-residents), is subject to the beneficiary's continued employment with the Group and the achievement of the following performance conditions for the fiscal years ended December 31, 2018, December 31, 2019 and December 31, 2020 related to (i) cumulative Group revenue, (ii) average EBITDA margin and (iii) relative Total Shareholder Return (TSR).

(i) 30% of the number of shares awarded, depending on the level of achievement of the cumulative revenue objective for the 2018 and 2019 fiscal years on the one hand (for 40% of the allotted shares), and for the 2018, 2019 and 2020 fiscal years, on the other hand (for 60% of the allotted shares);

(ii) 45% of the number of shares awarded, depending on the level of achievement of an average EBITDA margin objective for the 2018 and 2019 financial years on the one hand (for 40% of the allotted shares), and for the 2018, 2019 and 2020 financial years, on the other hand (for 60% of the allotted shares);

(iii) 25% of the number of shares awarded, depending on the performance of the Europcar Mobility Group share relative to the performance of a composite TSR index over the period from January 1, 2018 to December 31, 2019, on the one hand (for 40% of the allotted shares), and from January 1, 2018 to December 31, 2020 on the other hand (for 60% of the allotted shares).

The TSR rate will be determined by comparing the yield (Total Shareholder Return or "**TSR**") of the Europcar Mobility Group share to the performance of a composite index formed for 1/3 of the SBF 120 index, for 1/3 of the average TSR of the Group's three main car rental competitors and for 1/3 of the STOXX® Europe 600 Travel & Leisure Index (the "**Performance Composite Index**") between January 1, 2018 and December 31, 2019 and between January 1, 2018, and December 31, 2020.

While cumulative Group revenue and average EBITDA margin objectives cannot be rendered public for confidentiality reasons, these are in line with market expectations and the objectives laid down in the Group's Ambition 2020 plan.

If the Europcar Mobility Group TSR is lower than the composite index performance, no performance shares corresponding to this criterion will be allocated.

Furthermore, following the vesting period, is equal to three (3) years, no retention period is required for free shares. The number of shares vested will be communicated at the end of the performance appraisal period.

Pursuant to Article L. 225-197-1 II of the French Commercial Code:

(i) the Chairperson of the Management Board shall retain a number of free shares equal to the lesser of (i) one-third of the shares granted and (ii) a number of free shares awarded under the regulations of said plan or any another share plan representing an amount equivalent to three (3) times the amount of her fixed annual compensation, bearing in mind that the Chairperson of the Management Board shall be required in all cases to retain a minimum of one granted share until she leaves office; and

(ii) the other members of the Management Board shall each be required to retain a number of free shares equal to the lesser of (i) one-third of the shares granted and (ii) a number of free shares granted under the regulations of said plan, or under any another share plan, representing an amount equivalent to one (1) times the amount of their respective fixed annual compensation, bearing in mind that the Deputy CEOs shall in all cases be required to retain a minimum of one granted share until they leave office.

A total of 1,000,000 shares could be granted under the Free Shares 2018 Plan. A total of 901,781 shares were allocated under the Free Shares 2018 Plan to 117 beneficiaries, of which 148,481 shares to members of the Management Board (after prior authorization from the Supervisory Board representing 0.56% of the Company's share capital on the date of this Universal Registration Document). The number of free shares allocated to each member of the Management Board under the Free Shares 2018 Plan is presented in Table 10 of Section 5.3.3 of this Universal Registration Document.

Concerning in particular the members of the Management Board, the number of free shares which have been allocated to them in 2018 could not exceed 150% of their fixed annual compensation.

A free share is valued based on the average of the last 20 stock market prices preceding the grant by the Management Board.

Each beneficiary of the Free Shares 2018 Plan has made a personal commitment not to resort to the use of hedging instruments. To the Company's knowledge, no hedging instruments were set up as of the date of this Universal Registration Document.

Details of the free shares allocated to members of the Management Board during fiscal year 2018 are provided in Table 11 under Section 5.3.3.

5.3.1.3.3 Performance share grants in 2019

LEGAL FRAMEWORK

The Annual Shareholders' Meeting of April 26, 2019, pursuant to its 32nd resolution, authorized the Management Board to proceed, on one or more occasions, with free grants of existing or future shares (called performance shares) in favor of the corporate officers and certain employees of the Company and of related companies, under the conditions set out in Article L. 225-197-1 et seq. of the French Commercial Code. The allocation of performance shares is conditional upon compliance with the performance criteria defined when the budgets are constructed.

MAIN TERMS AND CONDITIONS FOR THE 2019 ALLOCATION OF PERFORMANCE SHARES

Consistent with the principles described in Section 5.3.1.1 "*Compensation principles of the members of the Management Board*" of this Universal Registration Document, the Supervisory Board examined and authorized on March 20, 2019 the main terms and conditions for free share grant plan to implement in 2019 for members of the Management Board, executive corporate officers and certain other managers of the Group (the "**Free Shares 2019 Plan**").

The acquisition of these performance shares, following a vesting period of three years (for French residents and non-residents), is subject to the beneficiary's continued employment with the Group, and the achievement of the following performance conditions for the fiscal years ended December 31, 2019, December 31, 2020 and December 31, 2021 related to (i) Cumulative Group Revenue, (ii) the average corporate EBITDA margin rate and (iii) relative TSR (Total Shareholder Return):

(i) 25% of the number of shares awarded, depending on the level of achievement of the target cumulative revenue for 2019 and 2020 on the one hand (for 40% of the allotted shares), and on the fiscal years 2018, 2019 and 2020 (for 60% of the allotted shares);

(ii) 45% of the number of shares awarded, depending on the level of achievement of an average EBITDA margin excluding New Mobility for the 2019 and 2020 fiscal years on the one hand (for 40% of the allotted shares), and for the 2019, 2020 and 2021 fiscal years, on the other hand (for 60% of the allotted shares); and

(iii) 30% of the number of shares awarded, depending on the performance of the Europcar Mobility Group share relative to the performance of a composite TSR index over the period from January 1, 2019 to December 31, 2020 on the one hand (for 40% of the allotted shares), and from January 1, 2019 to December 31, 2021 on the other hand (for 60% of the allotted shares).

The assessment of each of the performance conditions is based on achieving at least the following criteria:

(i) Regarding accumulated revenue:

a) for 2019, the forecast revenue mentioned in Section 3.8 of this Universal Registration Document (Group Revenue in excess of €3 billion),

b) for 2020, revenue in line with the Group's "Ambition 2020" target,

c) for 2021, revenue in line with the financial targets in the three-year plan presented to the Supervisory Board at its meeting of January 31, 2019, up compared with the "Ambition 2020" plan;

(ii) Regarding the average Corporate EBITDA margin (excluding New Mobility):

a) for 2019, the forecast (as a percentage of Revenue) for Corporate EBITDA (excluding New Mobility) mentioned in Section 3.8 of this Universal Registration Document (Adjusted Corporate EBITDA (excluding New Mobility) in excess of €375 million),

b) for 2020, a Corporate EBITDA margin (excluding New Mobility) in line with the Group's "Ambition 2020" target,

c) for 2021, a Corporate EBITDA margin (excluding New Mobility) in line with the financial targets in the three-year plan presented to the Supervisory Board at its meeting of January 31, up compared with "Ambition 2020" plan;

(iii) Regarding the TSR achievement rate:

This rate is determined by comparing the Total Shareholder Return (TSR) of the Europcar Mobility Group share with the performance of a composite index formed one third by the SBF120 index, one third by the average of the TSRs of the Group's three principal vehicle rental competitors (two US companies and one European company) and one third by the STOXX® Europe 600 Travel & Leisure index.

This rate is between January 1, 2019 and December 31, 2020 and between January 1, 2019 and December 31, 2021.

A Europcar Mobility Group TSR below the performance of the composite index will result in no free share purchases being awarded, as they can be vested only if the performance condition for this criterion is achieved.

Furthermore, following the vesting period, is equal to 3 years, no retention period is required for free shares.

Pursuant to Article L. 225-197-1 II of the French Commercial Code:

(i) the Chairperson of the Management Board shall retain a number of free shares equal to the lesser of (i) one-third of the shares granted and (ii) a number of free shares awarded under the regulations of said plan or any another share plan representing an amount equivalent to three (3) times the amount of her fixed annual compensation, bearing in mind that the Chairperson of the Management Board shall be required in all cases to retain a minimum of one granted share until she leaves office; and

(ii) the other members of the Management Board shall each be required to retain a number of free shares equal to the lesser of (i) one-third of the shares granted and (ii) a number of free shares granted under the regulations of said plan, or under any another share plan, representing an amount equivalent to one (1) times the amount of their respective fixed annual compensation, bearing in mind that the Deputy CEOs shall in all cases be required to retain a minimum of one granted share until they leave office.

In particular, concerning the members of the Management Board, the number of performance shares that could be awarded to them in 2019 was capped at 150% of their annual fixed compensation for the Chairwoman of the Management Board, the member of the Management Board and the Chief Executive Officer, and at 100% of the annual fixed compensation for the other members of the Management Board.

A total of 968,000 performance shares were granted under the Free Share 2019 Plan to 107 beneficiaries, including 235,000 to the members of the Management Board, representing 0.15% of share capital on the grant date.

The number of shares vested by each Management Board member will be communicated at the end of the performance appraisal period.

A free share is valued based on the average of the last 20 stock market prices preceding the grant by the Management Board.

Each beneficiary of the Free Shares 2019 Plan has made a personal commitment not to resort to the use of hedging instruments. To the Company's knowledge, no hedging instruments were set up as of the date of this Universal Registration Document.

Details of the free shares allocated to the Management Board members during fiscal year 2019 are described in Table 11 on Section 5.3.3.

5.3.1.3.4 Performance share grants in 2020

Following the recommendation of the Compensation and Nominations Committee, the Supervisory Board decided at its meeting of March 13, 2020 not to implement a free share plan in 2020 for members of the Management Board, executive corporate officers and certain other Group managers. It is specified that any allocation of free shares to members of the Management Board in 2021 and 2022 will comply with the current caps provided for in the compensation policy.

5.3.1.4 Preferred shares

Within the framework of the Company's Initial Public Offering, the members of the Management Board, as well as certain employee members of the Group's Executive Committee, were allowed to subscribe and purchase class C and class D preferred shares, within the meaning of Article L. 228-11 of the French Commercial Code, which may be converted according to a ratio determined according to the Group's performance.

Pursuant to the terms and conditions of category C and D preferred shares, due to the absence of requests to convert the shares into ordinary shares before December 31, 2019, the C and D preferred shares were automatically and fully converted into ordinary shares on December 31, 2019 with a conversion ratio of one C or D preferred share entitling the holder to one ordinary share with a par value of 1 euro. For a description of the characteristics of the class C and class D preferred shares, please see Section 6.2.3.2 "*Specific characteristics of preferred shares*" of this Universal Registration Document.

5.3.1.5 Employment agreements

Following her appointment as Chairwoman of the Management Board by decision of the Supervisory Board on November 23, 2016, Ms. Caroline Parot terminated her employment agreement as Group Chief Financial officer with the Company. Since November 23, 2016, Ms. Caroline Parot receives compensation only for her corporate officer role as Chairwoman of the Management Board.

Mr. Fabrizio Ruggiero holds an employment agreement with the Company Europcar Italia S.p.A., as modified by addendum dated December 1, 2016, which details the terms of his new position as Deputy CEO of the Group. Furthermore, a secondment contract signed between Europcar Italia S.p.A. and the Company dated August 1, 2016 sets out the terms and conditions under which Mr. Fabrizio Ruggiero's assignments will be determined and rebilled. Mr. Fabrizio Ruggiero exercises the functions of Business Units Director.

Mr. Olivier Baldassari signed a contract of employment with the Company to serve as Chief Countries & Operations officer on October 19, 2018. The contract became effective on January 1, 2019.

Mr. Albéric Chopelin signed a contract of employment to serve as Group Commercial & Customer officer with the Company on February 5, 2019. The contract became effective on April 15, 2019.

5.3.1.6 Compensation in the event of forced termination of office

Ms. Caroline Parot benefits, under the corporate officer agreement concluded with the Company on December 22, 2016, from severance compensation, the amount of which dependent on the achievement of set targets relating to collective criteria, in respect of variable compensation, and could reach a maximum of 18 months fixed and variable compensation. Assessment of the achievement of the targets relating to the assigned criteria is calculated either using the average of the last eight quarters ended.

The employment agreements of Mr. Olivier Baldassari and of Mr. Albéric Chopelin do not provide for any indemnities in the event of termination of their respective offices of Countries and Operations Director and Group Commercial & Customer officer. In case of termination by the Company of the employment agreement of Mr. Olivier Baldassari or of Mr. Albéric Chopelin, the amount of the indemnities that will be owed to Mr. Olivier Baldassari or to Mr. Albéric Chopelin shall be subject to the rules under French law and to the provisions of the collective bargaining agreement applicable to the employment agreements of Mr. Olivier Baldassari or to Mr. Albéric Chopelin. Consequently, his employer would be required to respect a 3-month notice period, during which time the fixed and variable compensation would be paid to Mr. Olivier Baldassari or Mr. Albéric Chopelin.

Mr. Fabrizio Ruggiero's employment agreement does not provide for any indemnities in the event of termination of office of Deputy CEO and/or member of the Management Board of the Company. In the event of termination of Mr. Fabrizio Ruggiero's employment agreement at the initiative of Europcar Italia S.p.A., the amount of indemnities that would be due to Mr. Fabrizio Ruggiero would be subject to the rules of Italian law and the provisions of the collective bargaining agreement applicable to Mr. Ruggiero's employment agreement. Consequently, his employer would be required to respect a notice period, the length of which is set by the applicable collective bargaining agreement, and which varies according to the employee's length of service, i.e. between four and eight months at the date of this Universal Registration Document, during which time Mr. Fabrizio Ruggiero's fixed and variable compensation would be paid to him.

It is stated that if Mr. Olivier Baldassari, Mr. Fabrizio Ruggiero, or Mr. Albéric Chopelin leave the Group, the accumulated severance compensation and their non-compete indemnities with respect to their positions as members of Management Board (and Deputy CEO in the case of Mr. Fabrizio Ruggiero), their employment contracts and/or the applicable legal provisions, would not exceed, for each, 24 months of their annual respective fixed and variable compensation.

5.3.1.7 Compensation under a non-compete clause

In the event that Ms. Caroline Parot would be bound by a non-compete obligation, the duration of which would be 12 months, at the time her position with the Company would be terminated, she would have the right to a non-compete payment in that regard in an amount equal to 50% of her annual compensation (fixed and variable) based on her average compensation over the course of the 12 months preceding the termination.

If the member were also to receive severance compensation (as described above), the combined non-compete and severance compensation would not exceed a ceiling corresponding to the annual fixed and variable compensation paid to the member during the two years preceding the departure.

Each of the other members of the Management Board may be bound by a twelve-month non-compete obligation applicable as of the end date of their positions as members of the Management Board and of any other position exercised within the Group. In the event that this non-compete obligation is implemented, they shall benefit from non-compete indemnity equal to 50% of their fixed annual compensation, it being specified that any non-compete indemnity paid under a non-compete clause set forth in the employment agreement for Mr. Fabrizio Ruggiero, Mr. Olivier Baldassari, and Mr. Albéric Chopelin, shall be deducted from the aforementioned non-compete indemnity of 50%.

It is stated that if Mr. Fabrizio Ruggiero, Mr. Olivier Baldassari, or Mr. Albéric Chopelin leave the Group, the accumulated severance compensation and their non-compete indemnities with respect to their positions as members of Management Board and Deputy CEO, their employment contracts and/or the applicable legal provisions, would not exceed, for each, 24 months of their annual respective fixed and variable compensation.

Regarding the renewal of the terms of office of Ms. Caroline Parot and Mr. Fabrizio Ruggiero as members of the Management Board as well as the appointment of Mr. Olivier Baldassari as a new member of the Management Board for a term of four years, decided by the Supervisory Board during its meeting on December 21, 2018, and the appointment of Mr. Albéric Chopelin as fourth member of the Management Board during the 2019 fiscal year, the Supervisory Board did not deem it necessary to specify that the non-compete clause could be exercised by the Company or excluded if any member of the Management Board wished to exercise their rights to retirement or remain in office beyond the age of 65, given that in light of the actual age of the Management Board's members, this will not happen before at least 10 to 15 years. The Supervisory Board decided however to agree to respect this AFEP-MEDEF Code recommendation within the appointment or renewal of a term of office during which the member of the Management Board could assert its pension right or work past age 65.

5.3.1.8 Supplemental pension plan

No member of the Management Board benefits from a supplementary pension plan in connection with his corporate office. Mr. Fabrizio Ruggiero benefits from a complementary pension plan related to his employment contract with Europcar Italia S.p.A. However, this plan is not comparable to a supplementary pension plan within the meaning of Article L. 137-11 of the French Social Security Code.

5.3.1.9 Corporate officer unemployment insurance

The Company has subscribed for corporate officer unemployment insurance for Ms. Caroline Parot.

5.3.2 Compensation of the members of the Supervisory Board

5.3.2.1 Compensation policy of the members of the Supervisory Board

The Company's Legal Department conducted a comparative study of the compensation of the members of the Supervisory Board, against the compensation policies implemented in companies comparable to the Company. The results of this study did not indicate any inconsistency with the compensation policy for members of the Supervisory Board. The repartition of the compensation of the members of the Supervisory Board is examined and decided every year by the Supervisory Board on recommendation of the Compensation and Nominations Committee. The total compensation which may be allocated to the Supervisory Board members for Board and Committee meetings has been set at €550,000 per year by the Company's Shareholders' Meeting of May 17, 2018, pursuant to the 17th resolution.

It consists of:

- annual fixed compensation of €30,000 allocated to the Chairman of the Supervisory Board in respect of his responsibilities;
- annual compensation (previously known as attendance fees), comprising a fixed portion and a variable portion, of €15,000 allocated to all Supervisory Board members and paid taking into account their actual participation in Supervisory Board and Committee meetings the amount of the variable portion differs depending on whether the meeting is held in person or by teleconference, it being specified that meetings held in person require significant preparation and last four hours on average, while those held by teleconference last one hour on average. For illustrative purposes, the fixed portion allocated for meetings held in person is set at €3,000 and the fixed portion allocated for meetings held by teleconference is set at €750 in 2019;
- annual compensation (previously known as attendance fees) allocated to members of Board committees, this variable portion being paid on the basis of actual attendance at meetings of the Audit Committee, the Compensation and Appointments Committee, the Strategy Committee, with an additional 50% for the Committee Chairman, or any other Committee created or to be created such as the Ad Hoc Committee, a Committee created in October 2019, in connection with the proposed sale of Eurazeo's stake in the Company's share capital. This Ad Hoc Committee has three members and its meetings generally last one hour. The Ad Hoc Committee is scheduled to hold 13 meetings in January 2020.

The variable amount allocated on the basis of the effective presence of a member at each meeting of the Board held in person or by teleconference or at each Board Committee meeting may increase or decrease depending on the actual number of meetings held during the year and is decided by the Supervisory Board in December, upon the recommendation of the Compensation and Nominating Committee.

In accordance with the recommendations of the AFEP-MEDEF Code, in the event that a member effectively attends 100% of the meetings of the Supervisory Board and its committees, held in person and by teleconference in 2020, the variable annual portion of compensation (attendance fees) due to a Board member (with the exception of its Chairman) would be preponderant over the fixed portion of the compensation (attendance fees).

The Chairman of the Supervisory Board receives fixed annual compensation of €165,000 in his capacity as Chairman of the Supervisory Board, identical to the fixed annual compensation awarded to him for the previous fiscal year. The Chairman of the Supervisory Board may also have the use of a company car or a "New Mobility" subscription of an equivalent value but Mr. Jean-Paul Bailly did not wish to enjoy this benefit in 2019 and does not want it in 2020 either. Furthermore, in the light of Covid-19, Mr. Jean-Paul Bailly requested that his annual fixed compensation for his position as Chairman of the Supervisory Board, be reduced by 25% for 2020, bringing it down from €165,000 to €123,750. Mr. Jean-Paul Bailly also wished to receive the full payment of this compensation in the fourth quarter of 2020 instead of the usual payments at the end of each quarter, considering that no payment was made at the end of March 2020.

Exceptional compensation might be granted by the Supervisory Board for specific assignments or mandates entrusted to them.

The Chairman and other members of the Supervisory Board do not benefit from any grant of free shares or options nor any severance payment whatsoever.

In light of the Covid-19 epidemic, all members of the Company's Supervisory Board have unanimously decided to cut their attendance fees for 2020 by 25%.

Shareholders' approval of components of compensation due or awarded to members of the Supervisory Board

In application of Article L. 225-82-2 of the French Commercial Code, the Company's Annual Shareholders' Meeting of June 12, 2020, will be asked to approve the compensation policy for member of the Management Board as described in this section 5.3.2.1 of the Universal Registration Document.

5.3.2.2 2019 compensation for the members of the Supervisory Board

Furthermore, at its meeting dated December 21, 2018, the Supervisory Board upon the recommendation of the Nominations and Compensation Committee at its December 11, 2018 meeting decided to allocate compensation for the fiscal year 2019 on the following basis:

- fixed portion: €30,000 for the Chairman of the Supervisory Board and €15,000 for each of the other members, these sums to be paid *prorata temporis* to the actual duration of the office held during the fiscal year; and

- variable portion:
  - effective participation in Supervisory Board meetings:
    – €3,000 per member for his or her effective participation in a Supervisory Board meeting held in person,
    – €750 per member for his or her effective participation in a Supervisory Board meeting held by teleconference;
  - effective participation in the Audit Committee or Compensation and Nominations Committee meetings: €1,848 per member of the Committee, with 50% additional for the Chairman of the Committee;

  all up to the overall limit of €550,000 set by the Shareholders' Meeting of May 17, 2018.

The Supervisory Board at its meeting dated December 21, 2018 decided, upon the recommendation of the Nominations and Compensation Committee on December 11, 2018, to grant Mr. Jean-Paul Bailly, for 2019, a fixed annual compensation of €165,000 for his role as Chairman of the Supervisory Board. This was unchanged from the fixed annual compensation granted to him for the previous fiscal year. The Chairman of the Supervisory Board also has the use of a company car or a "New Mobility" subscription of an equivalent value.

Furthermore, the Supervisory Board on October 18, 2018, upon recommendation of the Nominations and Compensation Committee on October 15, 2018, decided to allocate to Basin Street Partners, of which Mr. Sanford Miller is Managing Director, compensation of €24,000 for a 6-month consulting agreement for the US development of the Group. This compensation totaling a gross amount of €24,000 was payed monthly in the first half of 2019.

The components of compensation due or granted to the Chairman of the Supervisory Board in respect of fiscal year 2019 as presented above in Section 5.3.2.2 of this Universal Registration Document will be, in application of Article L. 225-100 of the French Commercial Code, submitted to the Shareholders for their opinion at the Annual Shareholders' Meeting of June 12, 2020.

The total gross amount of annual compensation (attendance fees) allocated and paid to the members of the Supervisory Board for the 2019 fiscal year and paid in 2019 was €549,990. For more information on these amounts, see Table 3 "*Annual compensation (attendance fees) and other compensation allocated and received by non-executive corporate officers*" in Section 5.3.3 "*Summary of the compensation and benefits of corporate officers*" of this Universal Registration Document.

In accordance with Article L. 225-45 of the French Commercial Code, when the proportion of Supervisory Board members of each gender is less than 40% the payment of the annual fixed compensation allocated to members of the Supervisory Board is suspended. Since 40% of the Company's Supervisory Board is women Article L. 225-45 does not apply to the Company and the payment of the annual fixed compensation allocated to Supervisory Board members for fiscal 2019, as described in Section 5.3.2.2, is therefore not suspended. For more information about the diversity policy of Supervisory Board members, see Section 5.1.3.5 of this Universal Registration Document.

5.3.3 Summary of the compensation and benefits of corporate officers

The tables below summarize the compensation and benefits in kind due and/or paid to members of the Management Board and the Supervisory Board by (i) the Company, (ii) companies controlled by the Company, (iii) companies controlled by companies that control the Company and (iv) companies that control the Company, all within the meaning of Article L. 233-16 of the French Commercial Code.

Table 1 – Summary of the compensation, options allocated and free shares granted to each executive corporate officer

(in euros)	**2019**	2018
Caroline Parot – Chairwoman of the Management Board		
Compensation due for the fiscal year (detailed in Table 2)	570,578	933,174
Value of multi-year variable compensation paid during the fiscal year	-	-
Value of stock options allocated during the fiscal year (detailed in Table 4)	-	-
Value of free shares granted during the fiscal year (detailed in Table 6)	509,120	686,695
Value of other long-term compensation plans	-	-
TOTAL	**1,079,698**	**1,619,869**

(in euros)	**2019**	2018
Fabrizio Ruggiero – Deputy CEO – , Business Units Director and Member of the Management Board		
Compensation due for the fiscal year (detailed in Table 2)	486,537	737,985
Value of multi-year variable compensation paid during the fiscal year	-	-
Value of stock options allocated during the fiscal year (detailed in Table 4)	-	-
Value of free shares granted during the fiscal year (detailed in Table 6)	367,040	498,183
Value of other long-term compensation plans	-	-
TOTAL	**853,577**	**1,236,168**

(in euros)	**2019**	2018
Olivier Baldassari – Countries and Operations Director and Member of the Management Board		
Compensation due for the fiscal year (detailed in Table 2)	333,925	-
Value of multi-year variable compensation paid during the fiscal year	-	-
Value of stock options allocated during the fiscal year (detailed in Table 4)	-	-
Value of free shares granted during the fiscal year (detailed in Table 6)	278,240	-
Value of other long-term compensation plans	-	-
TOTAL	**612,165**	**-**

(in euros)	**2019**	2018
Alberic Chopelin – Director – Commerce and Customers, Member of the Management Board		
Compensation due for the fiscal year (detailed in Table 2)	287,680	-
Value of multi-year variable compensation paid during the fiscal year	-	-
Value of stock options allocated during the fiscal year (detailed in Table 4)	-	-
Value of free shares granted during the fiscal year (detailed in Table 6)	236,800	-
Value of other long-term compensation plans	-	-
TOTAL	**524,480**	**-**

Table 2 – Summary of the compensation of each executive corporate officer

	Amounts in respect of fiscal year 2019		Amounts in respect of fiscal year 2018	
(in euros)	**Payable** (2)	**Paid** (3)	Payable (2)	Paid (3)
Caroline Parot – Chairwoman of the Management Board				
Fixed compensation (1)	553,336	553,336	510,000	510,000
Annual Variable Compensation (1)	0	406,133	406,133	136,573 (4)
Multi-year Variable Compensation (1)	-	-	-	-
Exceptional compensation (1)	-	-	-	-
Compensation allocated to the member of the Management Board in respect of his/her term of office	-	-	-	-
Benefits in kind (5)	17,242	17,242	17,041	17,041 (5)
TOTAL	**570,578**	**976,711**	**933,174**	**663,614**

(1) Gross before taxes. Fixed compensation 2019 is calculated on the basis of an increase at May 1, 2019.
(2) Compensation granted for the fiscal year, irrespective of the payment date.
(3) Compensation paid throughout the fiscal year.
(4) Variable compensation paid during the fiscal year is the amount due in respect of the prior period.
(5) Ms, Caroline Parot was provided with a company car, a corporate officer unemployment insurance and an annual health check.

(in euros)	**Amounts in respect of fiscal year 2019** Payable [2]	Paid [3]	Amounts in respect of fiscal year 2018 Payable[2]	Paid [3]
Fabrizio Ruggiero – Deputy CEO – Business Units Director and Member of the Management Board*				
Fixed compensation [1] [4]	401,154	401,154)	370,000)	370,000)
Annual Variable Compensation [1]	0	294,286	294,286	99,083
Multi-year Variable Compensation [1]	-	-	-	-
Exceptional compensation [1]	-	-	-	-
Compensation allocated to the member of the Management Board in respect of his/her term of office	-	-	-	-
Benefits in kind [5]	85,383	85,383	73,699	73,699 [5]
TOTAL	**486,537**	**780,823**	**737,985**	**663,614**

(1) Gross before taxes. Fixed compensation (2019) is calculated on the basis of an increase at May 1, 2019.
(2) Compensation granted for the fiscal year, irrespective of the payment date.
(3) Compensation paid throughout the fiscal year.
(4) Variable compensation paid during the fiscal year is the amount due in respect of the prior period.
(5) Mr. Fabrizio Ruggiero was provided with a company car, a foreign service allowance, company accommodation in France, an annual health check, as well as additional accident and health insurance taken out on his behalf.

(in euros)	**Amounts in respect of fiscal year 2019** Payable [2]	Paid [3]	Amounts in respect of fiscal year 2018 Payable[2]	Paid [3]
Olivier Baldassari – Director – Countries and Operations and Member of the Management Board				
Fixed compensation [1]	329,113	329,113	-	-
Annual Variable Compensation [1]	0	-	-	-
Multi-year Variable Compensation [1]	-	-	-	-
Exceptional compensation [1]	-	-	-	-
Compensation allocated to the member of the Management Board in respect of his/her term of office	-	-	-	-
Benefits in kind	4,812	4,812	-	-
TOTAL	**333,925**	**333,925**	**-**	**-**

(1) Gross before taxes.
(2) Compensation granted for the fiscal year, irrespective of the payment date.
(3) Compensation paid throughout the fiscal year.
(4) Olivier Baldassari was provided with a company car.

(in euros)	**Amounts in respect of fiscal year 2019** Payable [2]	Paid [3]	Amounts in respect of fiscal year 2018 Payable[2]	Paid [3]
Alberic Chopelin – Director of Sales and Customer Accounts and Member of the Management Board				
Fixed compensation [1]	284,450	284,450		
Annual variable compensation [1]	0	-	-	-
Multi-year variable compensation [1]	-	-	-	-
Exceptional compensation [1]	-	-	-	-
Compensation allocated to the member of the Management Board in respect of his/her term of office	-	-	-	-
Benefits in kind [4]	3,229	3,229	-	-
TOTAL	**287,680**	**287,680**	**0**	**0**

(1) Gross before taxes. The 2019 fixed compensation is calculated on the basis of the arrival date on April 15, 2019.
(2) Compensation granted for the fiscal year, irrespective of the payment date.
(3) Compensation paid throughout the fiscal year.
(4) Albéric Chopelin was provided with a company car.

Table 3 – Annual compensation (previously known as attendance fees) and other compensation allocated and received by non-executive corporate officers

Members of the Supervisory Board		Amounts paid in 2018 [1] *(in euros)*	**Gross amounts paid in 2019** [3] *(in euros)*
Jean Paul Bailly	Annual compensation (previously known as attendance fees)	67,566	76,110
	Other compensation	165,528 [2]	165,000
Patrick Sayer	Annual compensation (attendance fees)	38,544	36,348
	Other compensation	-	-
Pascal Bazin	Annual compensation (attendance fees)	67,350	74,970
	Other compensation	-	-
Sanford Miller	Annual compensation (attendance fees)	39,000	45,750
	Other compensation	-	24,000
Virginie Fauvel	Annual compensation (attendance fees)	56,034	64,578
	Other compensation	-	-
Petra Friedmann	Annual compensation (attendance fees)	34,708	67,578
	Other compensation	-	-
Philippe Audouin	Annual compensation (attendance fees)	53,784	38,174
	Other compensation	-	-
Éric Schaefer	Annual compensation (attendance fees)	46,740	42,240
	Other compensation	-	-
Kristin Neumann	Annual compensation (attendance fees)	54,360	56,382
	Other compensation	-	-
Amandine Ayrem	Annual compensation (attendance fees)	42,750	31,500
	Other compensation	-	-
TOTAL		**682,440**	**738,990**

(1) Amounts including, for annual compensation (attendance fees), the annual compensation (attendance fees) paid in 2018 in respect of fiscal year 2018. All of the annual compensation (attendance fees) due for 2018 were paid in December 2018.
(2) This amount includes the amount of the fixed compensation (€165,000) paid to Jean-Paul Bailly in his capacity as Chairman of the Supervisory Board for fiscal year 2018, as well as the amount in value (€528) of the benefits in kind (company car) granted to him during fiscal year 2018 from January 1 to May 22, 2018.
(3) Amount including, far attendance fees, the attendance fees paid in 2019 in respect of fiscal year 2019. All of the attendance fees due for 2019 were paid in December 2019.

Table 4 – Stock option allocations made during fiscal year 2019 to each executive corporate officer

Plan	Type of option (purchase or subscription)	Value of options according to the method chosen for the consolidated financial statements	Number of options allocated during the year	Exercise price	Exercise period
None					

Table 5 – Stock option allocations exercised during fiscal year 2019 by each executive corporate officer

Name of corporate officer	Plan	Type of option (purchase or subscription)	Number of options exercised during the year	Exercise price
	None			

Table 6 – Free shares granted during fiscal year 2019 to each corporate officer

Free shares granted during the fiscal year to each corporate officer	Number and date of the plan	Number of shares allocated during fiscal year 2019	Valuation of the shares	Date of acquisition	Date of availability	Performance conditions
Caroline Parot	2019 Free Shares Plan of May 22, 2019	86,000	509,120	May 23, 2022	May 23, 2022	See Section 5.3.1.3.3
Fabrizio Ruggiero	2019 Free Shares Plan of May 22, 2019	62,000	367,040	May 23, 2022	May 23, 2022	See Section 5.3.1.3.3
Olivier Baldassari	2019 Free Shares Plan of May 22, 2019	47,000	278,240	May 23, 2022	May 23, 2022	See Section 5.3.1.3.3
Albéric Chopelin	2019 Free Shares Plan of May 22, 2019	40,000	236,800	May 23, 2022	May 23, 2022	See Section 5.3.1.3.3
TOTAL		**235,000**				

Table 7 – Free shares that became available during fiscal year 2019 to each corporate officer

Free shares granted during the fiscal year to each corporate officer	Number and date of the plan	Number of shares available during fiscal year 2019	Acquisition conditions
Caroline Parot	2017 Free Shares Plan of March 14, 2017	63,040	See Section 5.3.1.3.1
Fabrizio Ruggiero	2017 Free Shares Plan of March 14, 2017	45,760	See Section 5.3.1.3.1
Olivier Baldassari	None	None	-
Albéric Chopelin	None	None	-
TOTAL		**108,800**	

Table 8 – History of stock option allocations

	Plan
Date of Management Board meeting	None

Table 9 – Options allocated to and exercised by the top ten non-executive officers

	Total number of options granted/shares subscribed or purchased	Average weighted price	Plan
Options granted during the fiscal year by the Company and any company in the scope of the option allocation plan to the ten employees of the Company and any company within the Group scope who received the highest number of these options (overall figure)	-	-	None
Options on the Company and the companies previously mentioned exercised during the fiscal year by the ten employees of the Company and such companies who purchased or subscribed for the greatest number of these options (overall figure)	-	-	None

Table 10 – History of free share grants

	AGA Plan 2017	AGA Plan 2018	AGA Plan 2019
Date of meeting	05/10/16	05/10/16	04/26/19
Date of Supervisory Board meeting	03/13/17 (1) 04/25/17 07/04/17	07/24/18 10/25/18	05/22/19 11/04/19
Total number of shares granted	591,000 (2)	901,781	968,000
Of which granted to:			
Ms. Caroline Parot	78,800	86,052	86,000
Mr. Fabrizio Ruggiero	57,200	62,429	62,000
Mr. Olivier Baldassari	-	-	47,000
Mr. Albéric Chopelin	-	-	40,000
Date shares acquired	03/14/2019 (3) (7) 04/25/19 (4) (7) 07/04/19 (5) (7)	12/31/21 10/25/21	05/23/22 11/05/22
Retention period end date	03/14/20 (4) (7) 04/25/20 (5) (7) 07/04/20 (6) (7)	07/24/21 10/25/21	
Performance conditions	(6)	(8)	(9)
Number of shares acquired on March 30, 2020 (most recent date) including the number of shares acquired by:			
Ms. Caroline Parot	63,040	-	-
Mr. Fabrizio Ruggiero	45,760	-	-
Cumulative number of shares canceled or lapsed	-		
Of which number of shares canceled or lapsed initially granted to:			
Ms. Caroline Parot	-	-	-
Mr. Fabrizio Ruggiero	-	-	-
Mr. Olivier Baldassari	-	-	-
Mr. Albéric Chopelin	-	-	-
Free shares granted remaining at the end of the year	-	-	-

(1) Decision of the Supervisory Board of March 13, 2017.
(2) 195,400 shares granted by decision of the Supervisory Board on March 13, 2017, 326,100 shares granted by decision of the Management Board on April 25, 2017, and 69,500 shares granted by decision of the Management Board on July 4, 2017.
(3) Regarding the 195,400 shares granted by decision of the Supervisory Board on March 13, 2017.
(4) Regarding the 326,100 shares granted by decision of the Management Board on April 25, 2017.
(5) Regarding the 69,500 shares granted by decision of the Management Board on July 4, 2017.
(6) Performance criteria are presented in Section 5.3.1.3.1 of this Universal Registration Document.
(7) Under Article 9 of the AGA Plan 2017, beneficiaries who, two months before the end of the vesting period are not tax-resident in France can opt for (i) a one-year extension of their vesting period to the third anniversary of the grant date, with their eligibility being re-assessed at that date and (ii) they will then be exempt from the retention period under the AGA Plan 2017 and can sell their shares immediately as of the new vesting date.
(8) Performance criteria are presented in Section 5.3.1.3.2 of this Universal Registration Document.
(9) Performance criteria are presented in Section 5.3.1.3.3 of this Universal Registration Document.

Table 11 – Summary of the multi-annual variable compensation of each executive corporate officer

Name and position	Fiscal year 2017	Fiscal year 2018	Fiscal year 2019
Caroline Parot Chairwoman of the Management Board	None	None	None
Fabrizio Ruggiero Chief Executive Officer, Member of the Management Board	None	None	None
Olivier Baldassari Member of the Management Board	None	None	None
Albéric Chopelin Member of the Management Board	None	None	None

Table 12 – Summary of some of the information required within the framework of the AFEP-MEDEF recommendation

	Employment agreement		Supplemental pension plan		Severance or other benefits due or likely to become due as a result of termination or change of office		Compensation under a non-compete clause	
Members of the Management Board	Yes	No	Yes	No	Yes	No	Yes	No
Caroline Parot Chairwoman of the Management Board Beginning of term: March 9, 2015 End of term: March 8, 2023		✓		✓	✓		✓	
Fabrizio Ruggiero Chief Executive Officer Group Business Units and Member of the Management Board Beginning of term: March 9, 2015 End of term: March 8, 2023	✓			✓ (1)		✓	✓	
Olivier Baldassari Countries and Operations Director and Member of the Management Board Beginning of term: January 1, 2019 End of term: March 1, 2023	✓			✓		✓	✓	
Albéric Chopelin Director of Sales and Customer Accounts and Member of the Management Board Beginning of term: April 15, 2019 End of term: April 15, 2023	✓			✓		✓	✓	

(1) Mr. Fabrizio Ruggiero benefits from a complementary pension plan related to his employment contract with Europcar Italia S.p.A. However, this plan is not comparable to a supplementary pension plan within the meaning of Article L. 137-11 of the French Social Security Code.

Equity ratio

Equity ratio between the level of the compensation of corporate officers and the average and median compensation of company employees

The information below has been presented in accordance with the terms of law No.°2019-486 of May 22, 2019 (the Pacte law), aimed at ensuring companies comply with new transparency requirements for executive compensation.

The ratios presented were calculated on the basis of fixed and variable compensations paid during the years mentioned, and performance shares allocated over the same periods and valued at fair value.

The workforce taken into account for this calculation consists only of permanent, full-time employees present for the full year of each fiscal year.

The scope used for this analysis consists of French companies excluding acquisitions over the past five years.

Olivier Baldassari joined the Group in January 2019 and is therefore included in this table only for 2019. His compensation does not include variable compensation for fiscal year 2018.

Albéric Chopelin joined the Group on April 15, 2019 and is therefore not included in the table below.

Equity Ratio	Fiscal year 2019	Fiscal year 2018	Fiscal year 2017	Fiscal year 2016	Fiscal year 2015
Caroline Parot Chairwoman of the Management Board					
Average compensation ratio	31.80	29.86	38.33	29.98	na
Median compensation ratio	41.42	38.81	49.45	39.38	na
Fabrizio Ruggiero Chief Executive Officer – Group Business Units and Member of the Management Board					
Average compensation ratio	24.57	23.02	27.69	16.15	na
Median compensation ratio	32.00	29.92	35.73	21.21	na
Olivier Baldassari Countries ans Operations Director and Member of the Management Board					
Average compensation ratio	13.10	na	na	na	na
Median compensation ratio	17.06	na	na	na	na
Company average compensation *(€)*	46,724	45,215	42,847	43,075	na
Company median compensation *(€)*	35,873	34,796	33,213	32,801	na
Caroline Parot's compensation *(€)*	1,485,831	1,350,309	1,642,240	1,291,531	na
Fabrizio Ruggiero's compensation *(€)*	1,147,863	1,040,965	1,186,647	695,603	na
Olivier Baldassari's compensation *(€)*	612,165	na	na	na	na
Cash Flow transaction *(€m)*	118	135	91	157	86

5.4 SUMMARY STATEMENT OF TRANSACTIONS IN COMPANY SECURITIES BY CORPORATE OFFICERS

In accordance with Article L. 621-18-2 of the French Monetary and Financial Code and Article 19 of the regulation (EU) No. 596/2014 dated April 16, 2014 on market abuses (the "MAR regulation"), the table below accounts for the transactions in Europcar Mobility Group SA securities carried out in 2019 by members of the Management Board and members of the Supervisory Board or by a person closely related to them (within the meaning of Articles 19 and 3.1.26 of the MAR regulation), on the basis of statements made by interested parties to the French financial markets authority, available on www.amf-france.org.

Date Place	Name	Type of transaction	Unit price *(in euros)*	Amount of transaction *(in euros)*
July 26, 2019 Euronext Paris	Caroline Parot	Acquisition	5.7150	8,058.15
July 26, 2019 Euronext Paris	Fabrice Ruggiero	Acquisition	5.8783	14,695.76
July 29, 2019 Euronext Paris	Caroline Parot	Acquisition	5.6400	42,300
October 25, 2019 Euronext Paris	Patrick Sayer	Acquisition	2.9996	54,019.80
October 28, 2019 Euronext Paris	Caroline Parot	Acquisition	3.1799	95,397
October 28, 2019 Euronext Paris	Christophe Leclerc, person with close ties with Caroline Parot	Acquisition	3.3600	67,200
October 29, 2019 Euronext Paris	Christophe Leclerc, person with close ties with Caroline Parot	Acquisition	3.3000	132,000
October 30, 2019 Euronext Paris	Christophe Leclerc, person with close ties with Caroline Parot	Acquisition	3.2900	49,350
October 30, 2019 Euronext Paris	Christophe Leclerc, person with close ties with Caroline Parot	Acquisition	3.3000	49,500
November 6, 2019 Euronext Paris	Pascal Bazin	Acquisition	3.3780	10,134

6 INFORMATION ON THE COMPANY AND ITS CAPITAL

6.1 INFORMATION ON THE COMPANY

6.1.1 Corporate name

The name of the Company is "Europcar Mobility Group".

6.1.2 Place and number of registration

The Company is registered with the Trade and Companies Register of Paris under number 489 099 903.

The identifier of the Company's legal entity is 969500XCGTMV08D76N87.

6.1.3 Date of incorporation and legal life

The Company was incorporated on March 16, 2006 for the acquisition of the Groupe Europcar by Eurazeo.

The Company has a legal life of 99 years as from its registration with the Versailles Trade and Companies Register, subject to early dissolution or extension.

6.1.4 Headquarters, legal form and applicable law

The Company headquarters are located at:
13 ter boulevard Berthier – 75017 Paris
Tel.: +33 (0)1 80 20 90 00

Since March 9, 2015, Europcar Mobility Group is a public limited company (société anonyme) with a Management Board and a Supervisory Board under French law governed in particular by the provisions of Book II of the French Commercial Code. Before March 9, 2015, the Company was a public limited company with a Board of Directors.

The Company's fiscal year begins on January 1 and ends on December 31 of each year.

6.2 CONSTITUTION AND BY-LAWS

The Company's by-laws were prepared in accordance with French law and regulations on public limited companies with a Management Board and a Supervisory Board. The key points described below are taken from the Company's by-laws approved at the General and Extraordinary shareholders' meetings of February 24, 2015, and amended by the Management Board on June 26, 2017, July 30, 2019, then on January 20, 2020 and by the Ordinary and Extraordinary shareholders' meetings on May 17, 2018.

6.2.1 Corporate purpose

Article 3 of the by-laws states that the Company's corporate purpose, directly or indirectly, in France or abroad, is to:

- acquire investments by way of asset transfers, purchases, subscriptions or otherwise in any companies regardless of their form and purpose;
- provide all types of management services to other firms, in particular strategic, organizational, accounting, financial, IT and commercial services;
- manage a portfolio of trademarks and patents, in particular by way of licensing rights;
- lease any machinery and equipment of any kind whatever;
- own, by way of acquisition or otherwise, and manage, in particular by way of leasing, any buildings, real property and property rights;
- take direct or indirect part in any transaction that might directly or indirectly be connected with the corporate purpose through the creation of new companies, asset transfers, subscriptions or purchases of securities or company rights, mergers, alliances, joint ventures and by any other means and in any forms used in France and abroad;
- and more generally, to engage in all commercial, financial (including any loan, advance, security or any cash transaction within the Group), industrial and real or personal property transactions that might directly or indirectly be connected with the corporate purpose and with any purposes that are similar or connected or capable of promoting the achievement thereof.

6.2.2 Management and supervisory bodies

6.2.2.1 Management Board

Appointments (Article 12 of the by-laws)

The Company is managed by a Management Board comprising two to five members appointed by the Supervisory Board. It performs its duties under the oversight of the Supervisory Board in accordance with the law and the by-laws.

The members of the Management Board may be chosen from among non-shareholders. They must be natural persons. They may always be re-elected. No member of the Supervisory Board may be a member of the Management Board.

The age limit for being a member of the Management Board is sixty-eight (68) years. Members of the Management Board are automatically deemed to have resigned at the end of the Shareholders' Meeting convened to approve the financial statements for the fiscal year in which they reach the age of sixty-eight (68) years.

Members of the Management Board may be bound to the Company by a contract of employment which remains in force throughout their term of office and after its expiry.

All members of the Management Board are subject to the applicable laws and regulations regarding the total number of offices held.

The members of the Management Board are appointed for a term of four (4) years. In the event of a seat becoming vacant, the Supervisory Board appoints a replacement for the remainder of the predecessor's term of office in accordance with the law.

Dismissal (Article 12 of the by-laws)

Any member of the Management Board may be dismissed either by the Supervisory Board or by the Shareholders' Meeting. If a dismissal decision is made without just cause, it can give rise to damages.

The dismissal of a member of the Management Board does not result in the termination of their contract of employment if any.

The Chairman of the Management Board and Deputy CEOs (Article 13 of the by-laws)

The Supervisory Board confers upon one of the members of the Management Board the position of Chairman. He or she exercises these duties for the duration of their term of office as a member of the Management Board. They represent the Company in its relations with third parties.

The Supervisory Board may attribute the same representative powers to one or more members of the Management Board who then have the title of Deputy CEO.

The office of Chairman and, if applicable, of Deputy CEO attributed to members of the Management Board may be withdrawn by the Supervisory Board at any time.

As regards third parties, any actions binding on the Company may be validly taken by the Chairman of the Management Board or by any member appointed by the Supervisory Board as Deputy CEO.

Deliberations of the Management Board (Article 14 of the by-laws)

The Management Board meets as often as the interests of the Company require, on a notice of meeting issued by its Chairman or at least half of its members, either at the headquarters or in any other place indicated in the notice of meeting. The agenda can be completed at the time of the meeting. Notices of meetings may be issued by any means, even orally.

A member of the Management Board may arrange to be represented at a meeting by another member of the Management Board who may not hold more than one proxy. The Chairman of the Management Board chairs its meetings. In the event that the Chairman is absent, the Management Board appoints one of its members to act as Chairman of the meeting.

The deliberations of the Management Board are only valid if at least half of its members are present or represented. Decisions are taken by a majority of the votes of members present or represented. In the event of a tied vote, the Chairman of the meeting has a casting vote.

Members of the Management Board may take part in its meetings by means of videoconferencing or other means of telecommunication under the conditions authorized by the regulations applicable to meetings of the Supervisory Board. They are then deemed to be present for the purposes of calculating the quorum and majority.

The deliberations are recorded in minutes drawn up in a special register kept at the registered office and signed by the Chairman and by the secretary or another member of the Management Board. Copies or extracts of these minutes can be validly certified by the Chairman, by the secretary or by a member of the Management Board.

Powers and obligations of the Management Board (Article 15 of the by-laws)

The Management Board is invested with the broadest powers to act in any circumstances in the name of the Company within the limitations of the corporate purpose and subject to the powers expressly attributed by law and the by-laws to shareholders' meetings and to the Supervisory Board.

No restriction on its powers is enforceable against third parties; these can take action against the Company to enforce obligations contracted in its name by the Chairman of the Management Board or by a Deputy CEO provided their appointments were duly published.

Members of the Management Board may divide management tasks among themselves with the authority of the Supervisory Board. Under no circumstances, however, does this division of tasks exempt the Management Board from meeting and deliberating on the most important matters regarding the running of the Company, nor does it exempt the Management Board and all of its members from their joint and several responsibilities.

The Management Board may nominate one or more of its members or any person chosen elsewhere to carry out such special, permanent or temporary assignments as it determines and delegate to them the powers it considers necessary for one or more specific purposes with or without the power to sub-delegate.

The Management Board prepares and presents to the Supervisory Board the reports required by the regulations in force as well as annual, half-yearly and, when appropriate, quarterly financial statements.

The Management Board convenes all shareholders' meetings, sets their agenda and performs their decisions.

Members of the Management Board are liable to the Company or to third parties, both individually or jointly and severally, as the case may be, whether for infringements of the legal provisions governing public limited companies, or for breaches of the by-laws, or for negligence in their management, under the conditions set and subject to the penalties provided for by the legislation in force.

Compensation of the members of the Management Board (Article 16 of the by-laws)

The Supervisory Board sets the mode and amount of compensation of each member of the Management Board.

6.2.2.2 Supervisory Board

Supervisory Board's Internal regulations

The Supervisory Board has Internal regulations which determine its workings.

Composition and term of office (Article 17 of the by-laws and Articles 1 and 2 of the Supervisory Board's Internal regulations)

The Supervisory Board comprises three (3) to eighteen (18) members (subject to special dispensations provided for by law) appointed by the Shareholders' Meeting.

Members of the Supervisory Board are appointed by the Shareholders' Meeting, but the Board has the power, in the event of a vacancy for one or more positions, to appoint replacements by way of co-option for the remainder of the predecessors' terms of office and subject to ratification by the next Shareholders' Meeting.

The number of members of the Supervisory Board aged over seventy (70) years may not exceed one third of members in office. Should this proportion be exceeded, the term of office of the oldest member of the Supervisory Board, other than the Chairman, expires at the end of the next Shareholders' Meeting.

The term of office of members of the Supervisory Board is four (4) years. The Shareholders' Meeting may, upon the appointment of certain members of the Supervisory Board, reduce their term of office to less than four (4) years in order to stagger the renewal of the terms of office of members of the Supervisory Board. They may be re-elected. The duties of a member of the Supervisory Board cease at the end of the Shareholders' Meeting convened to approve the financial statements for the previous fiscal year held in the year in which their term of office expires.

They may be dismissed at any time by the Ordinary Shareholders' Meeting.

Members of the Supervisory Board must own at least 500 shares in the Company throughout their term of office, at all times no later than six (6) months after being appointed.

No member of the Supervisory Board may be a member of the Management Board. Should a member of the Supervisory Board be appointed to the Management Board, their term of office on the Supervisory Board expires as soon as they take up that office.

Should the report presented by the Management Board to the Shareholders' Meeting pursuant to Article L. 225-102 of the French Commercial Code state that the shares owned by the Company's employees and by companies associated with the Company under Article L. 225-180 of said Code represent more than three per cent (3%) of the share capital, a member of the Supervisory Board representing employee shareholders is appointed by the Shareholders' Meeting in accordance with the terms and conditions laid down by the laws and regulations in force and the by-laws, provided the Supervisory Board does not already have among its members one or more member(s) appointed from among the members of the Supervisory Boards of the Company mutual funds representing employees, or one or more employees elected pursuant to Article L. 225-79 of the French Commercial Code if the by-laws make use of that provision.

Prior to the Shareholders' Meeting called to appoint the Supervisory Board member representing employee shareholders, the Chairman of the Supervisory Board refers to the Supervisory Boards of the Company mutual funds created under the employee savings plan of the Company and the entities it controls under Article L. 233-3 of the French Commercial Code (together the "Group") and invested principally in the Company's shares and consults employee shareholders as stipulated in the by-laws.

Candidates for appointment are nominated under the following conditions:

a) when the voting right attached to shares owned by employees is exercised by members of the Supervisory Board of a company mutual fund, that Board may appoint one candidate chosen from among its regular members representing employees. When there are several such company mutual funds, the Supervisory Boards of those funds can agree in identical resolutions to present two joint candidates chosen from among the sum total of their regular members representing employees;

b) when the voting right attached to shares owned by employees is directly exercised by those employees, one candidate may be nominated at the time of the consultations organized by the Company. These consultations, preceded by a call for applications, are organized by the Company by any technical means that make it possible to ensure the reliability of the vote, including electronic or postal voting. In order to be admissible, applications must be presented by a group of shareholders representing at least (5%) of the shares owned by employees exercising their voting right on an individual basis.

The Company can form an ad hoc election Committee to ensure the process is regular.

The minutes drawn up by the Supervisory Board(s) of the Company mutual funds or by ad hoc election committees presenting the applications must be sent to the Supervisory Board no later than eight (8) days before the date of its meeting convened to settle the resolutions of the Shareholders' Meeting relating to the appointment of the member of the Supervisory Board representing employee shareholders.

In order to be admissible, each application must present a principal and deputy candidate. The deputy candidate, who must satisfy the same conditions of eligibility as the principal, may be co-opted by the Supervisory Board to succeed the representative appointed by the Shareholders' Meeting in the event that they cannot complete their term of office. The co-option of the deputy by the Supervisory Board is subject to ratification by the next shareholders' meetings.

In order to ensure the continuity of employee shareholder representation and in the event that the deputy also cannot complete their term of office, the Chairman of the Supervisory Board refers to the body that originally nominated the candidate (the Supervisory Board of a company mutual fund or a group of employee shareholders) for it to nominate a new candidate whose appointment will be submitted to the Shareholders' Meeting.

The terms and conditions of nomination of candidates not defined by the laws and regulations in force or the by-laws are set by the Chairman of the Supervisory Board, in particular with regard to the timetable for the nomination of candidates.

Each procedure mentioned in a) and b) above is recorded in minutes including the number of votes received for each of the candidates. A list of all the candidates validly designated is established.

The Shareholders' Meeting rules, under the conditions applicable to any appointment of a member of the Supervisory Board, on all the candidates validly designated. The candidate obtaining the highest number of votes held by the shareholders present or represented during this Shareholders' Meeting will be appointed as the member representing employee shareholders. Members representing employee shareholders are not taken into account when determining the minimum and maximum numbers of members of the Supervisory Board set by the by-laws (Article 17).

The term of office of the member of the Supervisory Board representing employee shareholders is four (4) years. Their term of office ceases at the end of the Shareholders' Meeting convened to approve the financial statements for the previous fiscal year held in the year in which their term of office expires. However, their term of office ceases automatically and the member of the Supervisory Board representing the employee shareholders is deemed to have automatically resigned in the event that they cease to be an employee of the Company (or of an entity or economic interest grouping associated with the Company under Article L. 225-180 of the French Commercial Code).

In the event that the position of member of the Supervisory Board representing employee shareholders becomes vacant for any reason whatsoever, the replacement will be arranged under the conditions set out above, at the latest prior to the next Shareholders' Meeting or, if this meeting occurs less than four (4) months after the position becomes vacant, prior to the subsequent Shareholders' Meeting. The new member of the Supervisory Board is appointed by the Shareholders' Meeting for the remainder of their predecessor's term of office.

The Supervisory Board may validly meet and deliberate until the date of replacement of the member(s) representing employee shareholders.

The above provisions shall cease to apply when, at the close of a fiscal year, the percentage of the capital owned by employees of the Company and entities associated with the Company under Article L. 225-180 of the French Commercial Code, in the context set out by Article L. 225-102 of said Code, represents less than three per cent (3%) of the share capital on the understanding that the term of office of any member appointed will expire on its expiry date.

Provisions relating to the number of shares that must be owned by a member of the Supervisory Board are not applicable to members representing employee shareholders. Nevertheless, members of the Supervisory Board representing employee shareholders must, either individually or through a company mutual fund created under the Group's employee savings plan, own at least one share or a number of units of said fund equivalent to at least one share.

The Supervisory Board also comprises, depending on the case, one (1) or two (2) members representing employees in accordance with Article L. 225-79-2 of the French Commercial Code.

If, during a fiscal year, the number of members of the Supervisory Board, calculated in accordance with Article L. 225-79-2 II of the French Commercial Code, is less than or equal to twelve (12) the Group Committee, stipulated by Article L. 2331-1 of the French Labor Code, appoints a single member representing employees, by a majority vote.

If, during a fiscal year, the number of members of the Supervisory Board, calculated in accordance with Article L. 225-79-2 II of the French Commercial Code, is greater than twelve (12), and subject to this criteria still being met on the day of the appointment, the European Works Committee, as stipulated by Article L. 2342-9 of the French Labor Code, appoints a second member representing employees.

The term of office of the members of the Supervisory Board representing employees is four (4) years, renewable one (1) time from the date of their appointment.

As an exception, if a member representing employees is appointed according to one of the two aforementioned methods during the term of office of a member representing employees, the term of office of the newly appointed member will be shortened in such a way that its end will coincide with that of the already appointed member representing employees.

If the number of members of the Supervisory Board, calculated in accordance with Article L. 225-79-2 II of the French Commercial Code, initially greater than twelve (12) members, should fall below or become equal to eight (8) members, the terms of office of the members representing employees are maintained until their expiration.

The terms of office of the members of the Supervisory Board representing employees cease at the end of the Shareholders' Meeting convened to approve the financial statements for the previous fiscal year, and held during the year in which their terms of office expires. Nevertheless, their term of office ends automatically under the terms and conditions stipulated by law and by the by-laws, and the member of the Supervisory Board representing employees is considered to have resigned in the event they cease to be an employee of the Company or of a company it controls under Article L. 233-3 of the French Commercial Code. In the same manner, if the terms and conditions for the application of Article L. 225-79-2 of the French Commercial Code are no longer being met, the term of office of the member(s) representing employees ceases at the end of the meeting during which the Supervisory Board records that the Company is no longer under the scope of this obligation.

In the event that the position of member of the Supervisory Board representing employees becomes vacant for any reason whatsoever, a replacement will be arranged according to the methods set out above. The Supervisory Board may validly meet and deliberate until the date of the replacement of the member(s) representing employees.

Provisions relating to the number of shares that must be owned by a member of the Supervisory Board are not applicable to members representing employees. In addition, the members of the Supervisory Board representing employees will not receive any attendance fees for holding this office, unless the Supervisory Board decides otherwise.

Supervisory Board members representing employees are not taken into account when determining the minimum and maximum numbers of members of the Supervisory Board set by the by-laws.

The Supervisory Board ensures that wherever possible, at least a third of its members are independent; independence implies no value judgment as to the quality and skills that members bring to the Board.

On every appointment or reappointment of a Supervisory Board member, and at least annually before publication of the Company's Annual Report, the Supervisory Board carries out an assessment of the independence of each member (or candidate). During this assessment the Supervisory Board, having heard the opinion of the Compensation and Nominations Committee, assesses each member (or candidate) in light of the criteria set out below, any special circumstances and the person's relationship to the Company. The conclusions of this assessment are brought to the attention of shareholders in the Annual Report and, where applicable, of the Shareholders' Meeting during the election of the members of the Supervisory Board.

To qualify as independent, members of the Supervisory Board must in particular:

(i) not be an employee or executive corporate officer of the Company, or an employee or executive member of the Board of Directors or member of the Supervisory Board of any parent or consolidated entity, and not have been such in the past five years;

(ii) not be an executive corporate officer of an entity on whose Board of Directors or Supervisory Board the Company sits directly or indirectly or of an entity on whose Board of Directors or Supervisory Board a designated or actual executive corporate officer (current or less than five (5) years ago) of the Company sits;

(iii) not be a customer, supplier, investment banker, bank lender, or consultant (nor be directly or indirectly linked to such a person):
   - of significant importance for the Company or Group,
   - or for whom the Company or its Group represents a significant part of their business (or who is directly or indirectly related to such a person);

(iv) not have any close family ties with a corporate officer of the Company;

(v) not have been a Statutory Auditor to the Company within the last five years;

(vi) not have been a member of the Supervisory Board of the Company for more than twelve years, specifying that independent status is lost on the date the twelve years have been attained;

(vii) not receive or have received any variable compensation in cash or securities or any compensation linked to the Company's or the Group's performance.

Regarding Supervisory Board members who hold ten percent or more of the Company's share capital or voting rights or who represent a legal entity with an equivalent stake, the Board, on report of the Compensation and Nominations Committee, rules on their independence taking special Note of the composition of the Company's share ownership and any potential conflict of interest.

The Supervisory Board may consider that a Supervisory Board member who meets the above criteria may nevertheless not be deemed independent in view of their particular circumstances or those of the Company in light of its shareholder structure or for any other reason. Conversely, the Supervisory Board may consider that a member of the Supervisory Board who does not meet all the above criteria may nonetheless be deemed independent.

Members of the Supervisory Board deemed independent must inform the Chairman of the Supervisory Board of any change in their personal circumstances affecting these criteria as soon as they become aware of such a change.

Dismissal (Article 17 of the by-laws)

Members of the Supervisory Board may be dismissed at any time by the Shareholders' Meeting.

Officials of the Supervisory Board (Article 18 of the by-laws and Article 1.4 of the Supervisory Board's Internal regulations)

The Supervisory Board elects a Chairman and can elect a Vice-Chairman from among its members for the duration of their term of office and in accordance with its Internal regulations.

It determines their fixed or variable compensation.

The Chairman is responsible for convening the Supervisory Board, at least four (4) times a year, for setting the agenda of meetings and for chairing discussions.

The Vice-Chairman performs the same functions and has the same prerogatives if the Chairman is absent or when the Chairman has delegated his powers temporarily.

The Supervisory Board may appoint a secretary selected or not from among its members.

Powers and obligations of the Supervisory Board (Article 20 of the by-laws and Articles 1.5, 2.8, 2.9, 3 and 5 of the Supervisory Board's Internal regulations)

The Supervisory Board exercises permanent control over the Management Board's running of the Company.

At any time of the year, it carries out such checks and inspections as it deems necessary and can obtain any documents from the Management Board that it considers necessary for it to carry out its task.

The Management Board, at least once every quarter, presents the Supervisory Board with a report summarizing the main management actions or decisions of the Company and containing all items for the Supervisory Board to be fully informed of the Company's business development as well as the half-yearly financial statements and quarterly accounting information.

Once a year the Management Board presents the budgets and investment plans to the Supervisory Board.

After the close of each fiscal year, and within the regulatory period, the Management Board presents the annual financial statements, consolidated financial statements and its report to the Shareholders' Meeting for verification and audit. The Supervisory Board presents its observations on the Management Board's report and the individual, parent company and consolidated financial statements to the Shareholders' Meeting.

Under no circumstances can this supervision give rise to the taking of management action by the Supervisory Board or by its members, whether directly or indirectly.

The Supervisory Board appoints and may dismiss members of the Management Board according to the law and Article 12 of the by-laws.

The Supervisory Board sets the draft resolution proposing the appointment of the Statutory Auditors to the Shareholders' Meeting according to the law.

The transactions requiring prior approval by the Supervisory Board are listed in Section 5.2.1.2 "Matters reserved for the Supervisory Board" of this Universal Registration Document. Within the limits that it shall determine and, on the terms, and conditions that it shall decide, the Supervisory Board may give prior authorization to the Management Board to carry out one or more of these transactions.

The Supervisory Board may form committees responsible for looking into matters that it or its Chairman submit for their examination and opinion. It determines the composition and remit of these committees which carry out their duties under its supervision.

Reporting to the Supervisory Board (Article 4 of the Supervisory Board's Internal regulations)

Each Supervisory Board member may receive, upon his or her appointment, additional training on the specifics of the Company and the companies it controls, their business and their activity segment as well as regarding their challenges in terms of corporate social responsibility.

The Chairman of the Supervisory Board, or where appropriate the Vice-Chairman, provides Supervisory Board members, in sufficient time, the information or documents in his possession allowing them to perform their duties effectively. Any Supervisory Board member who is not in possession of the information needed to cast an informed vote has the duty to report this to the Supervisory Board and to demand the information relevant for the performance of his or her duties.

As an exception to the preceding information, if a member of the Board were to experience a conflict of interest, even potential, regarding a subject due to be discussed by the Board, the Chairman will ensure, upon the recommendation of the Compensation and Nominations Committee having previously reviewed the assessed conflict of interest, that information relating to this subject will not be communicated to this member, without prejudice to the obligations of said member described above.

The Supervisory Board may hear from members of the Management Board who may be asked to attend its meetings except for meetings or deliberations called to assess the performance of the Chairman or members of the Management Board or, if applicable, the Deputy CEO(s).

The Management Board reports regularly to the Supervisory Board on the Company's and Group's business, results, cash position and commitments in accordance with the law, the by-laws, the Internal regulations and the Internal regulations of the Supervisory Board's Committees.

In particular, the Management Board reports the following information to the Supervisory Board:

(i) in general, the Management Board shall communicate to the Supervisory Board any document or information relating to the Company or the Group, the preparation or publication of which by the Management Board, is required by applicable regulations or to proper market information before their publication;

(ii) within ninety (90) days of the closing date of the annual accounts, the audited consolidated accounts of the Company, including in particular a balance sheet, an income statement, a cash flow statement and the notes thereto, as well as the audited company accounts, including in particular a balance sheet, an income statement and the notes thereto, together with the Statutory Auditors' reports;

(iii) bi-annually, a table summarizing the Company's shareholder structure;

(iv) quarterly, all other information, including financial and accounting information, provided by the Company to its bank lenders under credit agreements made by the Company as soon as the information is sent to the banks;

(v) monthly, a summary of the key financial and operating items of the Company and Group with a breakdown by country (including key income statement aggregates, corporate EBITDA, consolidated financial debt and cash);

(vi) at least quarterly, and whenever the Supervisory Board so requests or deems appropriate, a progress report on the business of the Company and Group;

(vii) within three months of the half-yearly closing dates, the parent company and consolidated financial statements along with the associated management report (presented by the Management Board, first to the Audit Committee and then to the Supervisory Board for verification and audit);

(viii) within eight (8) days of being drawn up, the future projections of financial statements and accompanying analysis reports required by Articles L. 232-2 and L. 232-3 of the French Commercial Code (presented by the Management Board, first to the Audit Committee and then to the Supervisory Board);

(ix) the Management Board presents, in order to obtain their approval, the Company's and Group's annual budget and medium-or long-term investment and financial plan for approval (the Supervisory Board may request that the Management Board provide quarterly monitoring reports on how these are being met);

(x) as required by the Audit Committee's Internal regulations, and at least once a year, the Management Board's policy for managing and monitoring risks of all types affecting the Company and Group as well as the programs and measures implemented and the monitoring report on the effectiveness of group internal control, Internal Audit and risk management by the Management Board to the Audit Committee;

(xi) as required by the Compensation and Nominations Committee's Internal regulations, and at least once a year by the Management Board to the Compensation and Nominations Committee, all information and policies relating to the fixed compensation, bonuses and benefits, deferred or conditional, of Management Board members (the Management Board reports this information to the Compensation and Nominations Committee which in turn reports it to the Supervisory Board and, if applicable, seeks its prior approval); in the same way, periodic information about succession plans for members of the Management Board and Executive Committee to the Compensation and Nominations Committee;

(xii) the Management Board shall provide any other information and documents relating to the Company or Group deemed to assist the Supervisory Board in fulfilling its duties, particularly with regard to the AFEP-MEDEF Code recommendations.

Any member of the Supervisory Board may meet members of the Executive Committee without Management Board members being present, provided they inform a Management Board member beforehand. Such meetings are purely informative and must not impair any hierarchical reporting lines to which the executives concerned are subject.

Deliberations of the Supervisory Board (Article 19 of the by-laws and Articles 6 and 7 of the Supervisory Board's Internal regulations)

Members of the Supervisory Board are called to its meetings by its Chairman or, in the case of impediment, by the Vice-Chairman, by any means, including orally. The Chairman of the Supervisory Board must convene the Supervisory Board when at least one member of the Management Board or at least one third of members of the Supervisory Board submit a written motivated request to this effect within fifteen (15) days of its receipt. If the demand is not acted upon, its authors may themselves convene the meeting and set the agenda.

Meetings take place at the Company's registered office or any other place specified in the notice of meeting. They are chaired by the Chairman of the Supervisory Board, and in the event of the absence of the Chairman, by the Vice-Chairman. The Supervisory Board meets every three (3) months, notably to review the quarterly report presented by the Management Board with, if necessary, a report of the Audit Committee, to verify and audit the documents and information provided by the Management Board, and whenever the interests of the Company so require. Meetings must be sufficiently frequent and long to allow in-depth review and discussion of the matters falling under the Supervisory Board's responsibility.

Meetings are held and decisions made under the quorum and majority conditions provided by law. In the event of a tied vote, only the Chairman of the Supervisory Board has a casting vote.

Pursuant to applicable laws and regulations, the use of video-conference or other means of telecommunication is authorized for any Supervisory Board meeting: the means used must enable real-time and continuous transmission of speech and, if applicable, video images of the members, who must be visible to everyone. These means must also permit each member to be identified and ensure their active participation in meetings. Directors participating in a meeting by means of video conference or other means of telecommunication as described above are deemed present for purposes of calculating quorum and majority. The attendance sheet includes the names of members participating in the Supervisory Board meeting in such manner.

The meeting's minutes must indicate the names of those Supervisory Board members deemed present in this manner. The minutes must also mention the occurrence of any technical difficulties that may have interfered with the meeting.

In accordance with Article L. 225-82 of the French Commercial Code and Article 19-III of the Company's by-laws, participation in Supervisory Board meetings by means of video conference or telecommunication is prohibited for votes on the following decisions:

- appointing or replacing a Chairperson or Vice-Chairperson;
- appointing or removing members of the Management Board;
- closing the Company's annual and consolidated financial statements and reviewing the Company and Group management reports;
- the minutes of meetings of the Supervisory Board are prepared and copies or extracts thereof are delivered and certified in accordance with the law.

It is submitted to the approval of the Shareholders' Meeting of the Company on June 12, 2020, an amendment to the Company's by-laws under the terms of the 31st resolution, allowing for a written consultation procedure for the Supervisory Board's decisions, in accordance with Article L. 225-82 of the French Commercial Code.

Compensation of members of the Supervisory Board (Article 21 of the by-laws and Article 8 of the Board's Internal regulations)

The Shareholders' Meeting may allocate an annual fixed sum as attendance fees to the members of the Supervisory Board by way of compensation for their duties.

On recommendation of the Compensation and Nominations Committee, the Supervisory Board:

- freely divides up among its members the attendance fees allocated to the Board by the Shareholders' Meeting. Committee members receive a share, set by the Supervisory

Board and deducted from the total attendance fees allocated, according to their attendance at Committee meetings;

- determines the compensation of the Chairperson and Vice-Chairperson;
- allocates, if it sees fit, exceptional compensation to certain members for tasks or duties entrusted to them.

Attendance fees are paid annually in arrears.

The rules for dividing up attendance fees and the individual amounts paid to members must be disclosed in the corporate governance report, it being understood that the total amount paid to members of the Supervisory Board, including for their work in committees but excluding receipted expenses, cannot exceed the amount authorized by the Shareholders' Meeting.

6.2.2.3 College of censors (Article 22 of the by-laws and Article 10 of the Supervisory Board's Internal regulations)

The Shareholders' Meeting may appoint censors for the purpose of assisting the Supervisory Board. Censors may or may not be shareholders and can number up to four. They are appointed for a maximum term of two (2) years. The Shareholders' Meeting may revoke their appointment at any time. The Supervisory Board sets their attributions and determines their compensation.

The age limit of a censor is eighty (80) years. Any censor reaching that age will be deemed to have automatically resigned.

Censors are convened to all meetings of the Supervisory Board under the same terms and conditions as members of the Supervisory Board and take part in its deliberations in a solely consultative capacity. Censors express their observations during the Supervisory Board's meetings. They cannot replace members of the Supervisory Board and only issue their opinions. The Supervisory Board may also assign specific tasks to the censors.

6.2.3 Rights and obligations attached to the shares (Articles 6, 7, 9 and 10 of the by-laws)

6.2.3.1 General Information

Fully paid up ordinary shares are held in either registered or bearer form at the shareholder's discretion. They are registered in the accounts of their owners according to the laws and regulations in force.

Ownership of a share automatically implies acceptance of the by-laws and the decisions made at shareholders' meetings.

Each share carries a right to ownership of the Company's assets and liquidation surpluses equal to the fraction of the share capital that it represents.

Whenever it is necessary to own several old shares in order to exercise any right, or in the event of a securities swap or allocation conferring a right to a new security in exchange for the delivery of several old shares, individual securities or numbers of securities lower than that required will not give their holders any rights against the Company, and shareholders must make their own arrangements to group together and potentially purchase or sell the necessary number of securities.

The shares are indivisible as regards the Company so that joint owners of undivided shares must arrange to be represented to the Company either by one of them or by a single representative appointed by the courts in the event of disagreement.

Each ordinary share grants the right to vote and to be represented at any Shareholders' Meeting in accordance with legal and statutory requirements. By-laws governing voting rights are explained in Section 6.2.5 "shareholders' meetings" of this Universal Registration Document.

6.2.3.2 Specific characteristics of preferred shares

Class C and D preferred shares (Appendices A and B of the by-laws)

Within the framework of the Company's Initial Public Offering, the members of the Management Board, as well as certain employee members of the Group's Executive Committee, were allowed to subscribe and purchase class C and class D preferred shares, within the meaning of Article L. 228-11 of the French Commercial Code, which may be converted according to a ratio determined according to the Group's performance.

Pursuant to the terms and conditions of category C and D preferred shares, as set out in Appendices A and B of the Company's by-laws, due to the absence of requests to convert the shares into ordinary shares before December 31, 2019, the C and D preferred shares were automatically and fully converted into ordinary shares on December 31, 2019 with a conversion ratio of one C or D preferred share entitling the holder to one ordinary share of the Company with a par value of 1 euro.

6.2.4 Changes to shareholders' rights

The rights of shareholders may be changed under the law and regulations in force. There is no specific stipulation that restricts changes to shareholders' rights beyond the requirements of the law.

6.2.5 Shareholders' meetings (Articles 9, 10, 24 and 25 of the by-laws)

Shareholders' meetings are convened and deliberate in accordance with the law.

Meetings take place either at the headquarters or in any other place specified in the notice of meeting.

Shareholders may attend shareholders' meetings in accordance with the law.

Any shareholder may take part in shareholders' meetings either personally or by appointing a proxy. They may also attend any Shareholders' Meeting by postal vote according to the laws and regulations in force.

The Management Board is empowered to authorize transfer by telecommunications (including by electronic media) to the Company of the postal proxy and voting forms in accordance with applicable law and regulations.

When e-signatures are used, they can take any form that complies with the conditions set out in the first sentence of paragraph 2 of Article 1316-4 of the French Civil Code.

If the Management Board announces in the notice of meeting that such means of telecommunication may be used, all shareholders attending by video conference or other telecommunication permitting their identification as required by applicable regulations are deemed present for purposes of calculating quorum and majority.

Meetings are chaired by the Chairman of the Supervisory Board or, in their absence, by the Vice-Chairman. Failing this, the meeting elects its own Chairman.

Minutes are taken of shareholders' meetings and copies or extracts provided and certified in accordance with law.

Each ordinary share grants the right to vote and to be represented at any Shareholders' Meeting in accordance with legal and statutory requirements.

When ordinary shares are held in usufruct, their right to vote at shareholders' meetings belongs to the usufruct-holders. However, shareholders may agree among themselves any other allocation of the exercise of voting rights at shareholders' meetings. In this case, they must notify their agreement to the Company by registered mail sent to the registered office and the Company will be obliged to respect this agreement at any Shareholders' Meeting held more than one (1) month after the date the registered letter was sent, as attested by the postmark.

Double voting rights are granted to all fully paid up ordinary shares that have been held in registered form by the same holder for a continuous period of at least two (2) years. The length of time that shares were held prior to the listing date of the Company's ordinary shares on Euronext Paris will not be counted towards the two-year holding period. The Company has thus not exercised the option to waive attribution of double voting rights set out in Article L. 225-123 paragraph 3 of the French Commercial Code.

In accordance with Article L. 225-123 paragraph 2 of the French Commercial Code, in the event of a share capital increase by incorporation of reserves, earnings or share premiums, double voting rights will be granted upon issuance to new ordinary shares allocated free of charge to a shareholder in respect of existing shares already carrying such rights.

Double voting rights may be exercised at any Shareholders' Meeting.

Any ordinary share that is transferred or converted into bearer form loses its double voting right. However, a transfer of ownership through inheritance, liquidation of marital property or inter vivos donation to a spouse or relative entitled to inherit does not result in the loss of an acquired double voting right and does not interrupt the two-year holding period above.

Any shareholder may vote by mail under the terms and conditions and using the procedures prescribed in accordance with applicable law and regulations. Shareholders may, in accordance with applicable law and regulations, send their proxy or voting forms by mail in either paper format or, if the Management Board so decides and announces in the notice of meeting, by telecommunications (including electronic media). The Company may, to this end, use an identification procedure that complies with the conditions in the first sentence of paragraph 2 of Article 1316-4 of the French Civil Code.

6.2.6 By-laws provisions likely to have an effect in the event of a change of control

The Company's by-laws do not contain any provisions likely to have an effect in the event of a change of control.

6.2.7 Threshold crossing and identification of shareholders

6.2.7.1 Threshold crossings (Article 8 of the by-laws)

Aside from applicable legal and regulatory thresholds, any natural person or legal entity, acting alone or in concert, who comes or ceases to hold, directly or indirectly, one percent (1%) or more of the Company's share capital or voting rights, or any multiple of this percentage, including above the declaration thresholds set by law and regulations, must inform the Company of the total number of shares and voting rights owned and of any securities giving access to the capital or voting rights potentially attached by registered post with recorded delivery to the headquarters (general address) by the close of trading on the fourth trading day following the date the threshold was crossed.

For the purpose of determining the thresholds described above, account is also taken of the shares or voting rights held indirectly and shares or voting rights associated with shares or voting rights held as defined in Articles L. 233-7 et seq. of the French Commercial Code.

In the event of a failure to comply with the above requirements, the penalties prescribed by law for any shareholder in breach of the obligation to declare the crossing of a legal threshold shall only be applied to the thresholds prescribed in the by-laws upon the demand, recorded in the minutes of the Shareholders' Meeting, of one or more shareholders holding at least one percent (1%) of the Company's share capital or voting rights.

The Company reserves the right to announce to the public and to shareholders either the information notified to it or any failure to comply with the above obligation by the person concerned.

6.2.7.2 Identification of shareholders (Article 7 of the by-laws)

The Company is entitled, under the law and regulations in force, and against payment of a fee at its own cost, to ask the central depository of financial instruments to be informed, as the case may be, of the name or corporate name, nationality, date of birth or year of formation, and mail address, and, when appropriate, electronic address, of the holders of bearer securities conferring the right to vote at its shareholders' meetings, whether immediately or in the future, together with the quantity of securities owned by each of them and, if applicable, the restrictions to which the securities may be subject. In view of the list provided by the aforementioned organization, the Company has the power to ask the persons appearing thereon, whom the Company deems potentially registered on behalf of third parties, for the above information concerning the owners of the securities.

If a person asked for information has failed to provide said information within the periods provided by the laws and regulations in force, or has provided incomplete or incorrect information relating either to their status or the owners of the securities, the shares or securities giving immediate or future access to the Company's equity in respect of which that person was registered in an account will be stripped of their voting rights for any Shareholders' Meeting held until the identification process is regularized, and payment of the corresponding dividend will be deferred until that date.

6.2.8 Changes to the share capital

Unless stated otherwise in the by-laws, the share capital may be increased, reduced or canceled by any method and in any manner permitted by law.

6.2.9 Distribution of profits (Article 27 of the by-laws)

Profits for each fiscal year are determined according to the legal and regulatory provisions in force.

In the event of a profit for the fiscal year after deductions to establish or increase legal reserves, the Shareholders' Meeting, on the proposal of the Management Board, may deduct any sums that it considers appropriate to be either retained and carried forward to the next fiscal year or allocated to one or more general or special reserve funds or distributed to shareholders.

The Shareholders' Meeting has the power to grant shareholders the option to receive payment of all or part of their dividend or interim dividend in cash or in shares under the conditions laid down by the regulations in force. In addition, the Shareholders' Meeting may decide that payment of all or part of dividends, interim dividends, distributed reserves or premiums, or any reduction in capital, will be deducted in kind using the Company's portfolio securities or assets.

All shareholders share in profits and contribute to losses in proportion to their stake in the share capital.

6.3 SHARE CAPITAL

6.3.1 Number of shares

At December 31, 2019, the share capital amounted to €163,884,278. The share capital is divided into 163,884,278 ordinary shares with a par value of one (1) euro.

On the date of this Universal Registration Document, the amount of the share capital was €163,884,278. The share capital is divided into 163,884,278 ordinary shares with a par value of one (1) euro.

6.3.2 Securities giving access to share capital

There were no outstanding securities giving access to share capital and voting rights at December 31, 2019.

The Shareholders' Meeting of April 26, 2019 (23rd, 24th, 25th, 26th, 27th, 28th, 29th, 30th, 31st, 32nd, 33rd and 34th resolutions) gave different authorizations to the Management Board to issue investment shares giving access to share capital, described in Section 6.3.5.1 "Table of valid delegations on the date of this Universal Registration Document, with respect to capital increase and use at December 31, 2019".

6.3.3 Changes in share capital over the last three years

Year	Date	Type of transaction	Share capital before transaction *(in euros)*	Nominal amount of transaction *(in euros)*	Share capital after transaction *(in euros)*	Number of shares after transaction
2017	02/24/2017	Increase in share capital reserved for members of company savings plans, with waiver of preferential subscription rights	143,409,298	2,191,397	145,600,695	145,600,695
2017	02/24/2017	Increase in share capital reserved for categories of beneficiaries as part of employee share ownership transactions	145,600,695	532,017	146,132,712	146,132,712
2017	06/23/2017	Increase in share capital through a private placement with waiver of preferential subscription rights	146,132,712	14,612,460	160,745,172	160,745,172
2017	06/26/2017	Increase in share capital by the creation of new shares for the purposes of allocating free shares	160,745,172	285,711	161,030,883	161,030,883
2019	07/30/2019	Capital increase reserved for members of an employee savings plan, with waiver of preferential subscription rights for the benefit of the latter, as part of the we Share 2019 employee share ownership plan.	161,030,883	2,272,661	163,303,544	163,303,544
2019	07/30/2019	Capital increase reserved for categories of beneficiaries as part of the we Share 2019 employee share ownership plan.	163,303,544	580,734	163,884,278	163,884,278

6.3.4 Information about potential dilution

At December 31, 2019 there were no stock options outstanding.

6.3.5 Summary tables of delegations relating to share capital increases

6.3.5.1 Table of currently valid delegations on the date of this Universal Registration Document, concerning increases in share capital and utilization as at December 31, 2019

The table below summarizes all delegations that were still valid as at December 31, 2019, granted by shareholders at the Shareholders' Meeting of April 26, 2019 and the use made of such authorizations as of December 31, 2019:

Shareholders' Meeting Date *(resolution no.)*	Type of authorization	Authorized share capital ceiling *(nominal amount or percentage)*	Term *(expiry)*	Provisions utilized during the period in 2019
04/26/2019 (23rd resolution)	Authorization for the Company's share buy back program.	€75,000,000	18 months (10/25/2020)	None
04/26/2019 (24th resolution)	Delegation of authority to the Management Board to increase share capital by capitalizing reserves, profits, share premiums, acquisition premiums or goodwill on consolidation.	€500,000,000 (2)	26 months (06/25/2021)	None
04/26/2019 (25th resolution)	Delegation of authority to the Management Board to issue shares and/or equity securities giving access to other equity securities or giving the right to the allocation of debt securities and/or issue marketable securities giving rights to future shares of the Company with preferential subscription rights.	50% of share capital (1) (2) 750,000,000 in debt securities	26 months (06/25/2021)	None
04/26/2019 (26th resolution)	Delegation of authority to the Management Board to issue shares and/or equity securities giving access to other Company equity securities or securities entitling holders to receive debt and/or issue securities giving rights to future shares with waiver of preferential subscription rights through a public offering or a public exchange offering.	10% of share capital (1) (2) (3) €750,000,000 in debt securities	26 months (06/25/2021)	None
04/26/2019 (27th resolution)	Delegation of authority to the Management Board to issue shares and/or equity securities giving access to other Company equity securities or securities entitling holders to receive debt or issue other securities giving rights to future shares with waiver of preferential subscription rights as part of an offer under Article L. 411-2 II of the French Monetary and Financial Code.	10% of share capital (1) (2) (3) €750,000,000 in debt securities	26 months (06/25/2021)	None
04/26/2019 (28th resolution)	Authorization to the Management Board, in the event of an issue of shares and/or equity instruments giving access to other equity instruments or equity securities entitling holders to receive future securities without preferential subscription rights through a public offering or private placement to set the issue price at no more than 10% of the share capital per year.	10% of the share capital (1)	26 months (06/25/2021)	None

Shareholders' Meeting Date *(resolution no.)*	Type of authorization	Authorized share capital ceiling *(nominal amount or percentage)*	Term *(expiry)*	Provisions utilized during the period in 2019
04/26/2019 (29th resolution)	Authorization granted to the Management Board to increase the number of shares or securities giving access to other Company equity securities or entitlement to the award of debt securities or securities giving rights to equity securities issuable in the event of an increase in share capital with or without preferential subscription rights.	15% of the initial issue (1) (3)	26 months (06/25/2021)	None
04/26/2019 (30th resolution)	Delegation of authority to the Management Board to issue shares and/or equity securities giving access to other Company equity securities and/or entitlement to the award of debt securities and issue other securities giving rights to equity securities to be issued with waiver of preferential subscription rights in consideration of contributions in kind made to the Company.	10% of the share capital (1)	26 months (06/25/2021)	None
04/26/2019 (31st resolution)	Delegation of authority to the Management Board to issue shares and/or equity securities giving rights to other Company equity securities or giving right to the grant of debt securities and to issue other securities giving rights to future shares, with waiver of preferential subscription rights for the benefit of a certain category of persons as part of an equity line transaction.	10% of share capital (1) (2) (3)	18 months (06/25/2021)	None
04/26/2019 (32nd resolution)	Authorization to the Management Board to grant free shares in the Company, with automatic waiver of subscription rights, to corporate officers and employees of the Group.	2% of share capital 0.4% of share capital for corporate officers	26 months (06/25/2021)	See Section 5.3.1.3
04/26/2019 (33rd resolution)	Delegation of authority to the Management Board to increase the share capital by issuing shares and/or equity securities entitling holders to receive debt and/or other securities giving access to future shares, reserved for members of an employee savings plan.	3% of share capital (1) (2)	26 months (06/25/2021)	See Section 6.5.4
04/26/2019 (34th resolution)	Delegation of authority to the Management Board to increase the share capital by issuing without preferential subscription rights securities reserved for certain categories of beneficiaries under an employee shareholding plan.	3% of share capital (1) (2)	18 months (10/25/2020)	See Section 6.5.4

(1) The overall maximum nominal amount of capital increases that may be carried out pursuant to this delegation shall count against the amount of the total 50% ceiling of the Company's share capital on the date of the Shareholders' Meeting of April 26, 2019.
(2) This amount may be increased by the nominal amount of ordinary shares in the Company to be issued in future, if applicable, in order to safeguard the rights of holders of securities giving access to the share capital in accordance with law and regulations and any applicable contractual terms.
(3) The overall maximum nominal amount of capital increases that may be carried out pursuant to this delegation shall not exceed 10% of the share capital on the date on which this delegation is used and shall count against the amount of the total 50% ceiling of the Company's share capital on the date of the Shareholders' Meeting of April 26, 2019.

6.3.5.2 Delegations relating to share capital increases to be voted on at the Shareholders' Meeting of June 12, 2020

Shareholders' Meeting Date *(resolution no.)*	Type of authorization	Authorized share capital ceiling *(nominal amount or percentage)*	Term *(expiration)*
06/12/2020 (16th resolution)	Authorization of a program allowing the Company to buy back its own shares	€75,000,000	18 months (12/11/2021)
06/12/2020 (17th resolution)	Delegation of authority to the Management Board to increase the share capital through the incorporation of reserves, profits or issue, merger or contribution premiums	€500,000,000	26 months (08/11/2022)
06/12/2020 (18th resolution)	Delegation of authority to the Management Board to issue shares and/or equity securities giving rights to other equity securities of the Company or giving rights to the grant of debt securities and/or to issue other securities giving rights to future shares of the Company, maintaining preferential subscription rights.	50% of the share capital (1) (2) €750,000,000 in debt securities	26 months (08/11/2022)
06/12/2020 (19th resolution)	Delegation of authority to the Management Board to issue shares and/or equity securities giving rights to other equity securities of the Company or giving right to the grant of debt securities and/or to issue other securities giving rights to future shares, with waiver of preferential subscription rights and public offering, other than those referred to in Article L. 411-2 1° of the French Monetary and Financial Code, or as part of a public offer involving an exchange component.	10% of the share capital (1) (2) (3) €750,000,000 in debt securities	26 months (08/11/2022)
06/12/2020 (20th resolution)	Delegation of authority to the Management Board to issue shares and/or equity securities giving rights to other equity securities of the Company or giving right to the grant of debt securities and securities giving rights to future shares, with waiver of preferential subscription rights as part of a public offer referred to in Article L. 411-2 1° of the French Monetary and Financial Code.	10% of the share capital (1) (2) (3) €750,000,000 in debt securities	26 months (08/11/2022)
06/12/2020 (21st resolution)	Authorization to the Management Board, in the event of issuance of shares and/or equity securities giving rights to other equity securities of the Company or giving rights to the grant of debt securities and/or other securities giving rights to future shares, without preferential subscription rights, through an offer to the public or through a private placement to set the issue price subject to a limit of 10% of the share capital per year.	10% of the share capital (1)	26 months (08/11/2022)
06/12/2020 (22nd resolution)	Authorization to the Management Board to increase the number of shares and/or equity securities giving rights to other equity securities of the Company or to the grant of debt securities and/or securities giving rights to future shares, to be issued in the event of a capital increase with or without preferential subscription rights for shareholders.	15% of the initial issue (1) (3)	26 months (08/11/2022)
06/12/2020 (23rd resolution)	Delegation of power to the Management Board to issue shares and/or equity securities giving rights to other equity securities of the Company or giving rights to the grant of debt securities and other securities giving rights to future shares, with waiver of preferential subscription rights, as remuneration for contributions in kind granted to the Company.	10% of the share capital (1)	26 months (08/11/2022)
06/12/2020 (24th resolution)	Delegation of authority to the Management Board to issue shares and/or equity securities giving rights to other equity securities of the Company or giving right to the grant of debt securities and to issue other securities giving rights to future shares, with waiver of preferential subscription rights for the benefit of a certain category of persons as part of an equity line transaction.	10% of the share capital (1) (2) (3)	18 months (12/11/2021)

Shareholders' Meeting Date *(resolution no.)*	Type of authorization	Authorized share capital ceiling *(nominal amount or percentage)*	Term *(expiration)*
06/12/2020 (25th resolution)	Authorization to be granted to the Management Board for the purpose of allotting shares in the Company, free of charge, to corporate officers and employees of the Group, entailing automatic waiver of shareholders' preferential subscription rights.	2% of the share capital of which 0.4% of the share capital for corporate officers	26 months (08/11/2022)
06/12/2020 (26th resolution)	Delegation of authority to the Management Board to increase the share capital through the issuance of shares and/or other securities giving rights to the share capital reserved for participants in a company savings plan, with waiver of preferential subscription rights in favor of the plan participants.	3% of the share capital (1) (2)	26 months (08/11/2022)
06/12/2020 (27th resolution)	Delegation of authority to the Management Board to increase the share capital, with waiver of preferential subscription rights for shareholders, with the securities issued being reserved for categories of beneficiaries within the framework of an employee shareholding operation.	3% of the share capital (1) (2)	18 months

(1) The overall maximum nominal amount of capital increases that may be carried out pursuant to this delegation shall count against the amount of the total nominal ceiling which may not exceed an amount representing more than 50% of the Company's share capital on the date of the Shareholders' Meeting of June 12, 2020.
(2) This amount may be increased by the nominal amount of ordinary shares in the Company to be issued in future, if applicable, in order to safeguard the rights of holders of securities giving access to the share capital in accordance with law and regulations and any applicable contractual terms stating otherwise.
(3) The overall maximum nominal amount of capital increases that may be carried out pursuant to the 19th, 20th, 22nd and 24th resolutions may not be greater than 10% of the Company's share capital on the date the financial delegation is used by the Management Board, and shall count against the overall nominal ceiling representing more than 50% of the Company's share capital on the date of the Shareholders' Meeting of June 12, 2020.

6.3.6 Non-equity securities

As of the filing date of this Universal Registration Document, the Company has issued no non-equity securities.

6.3.7 Pledges

At the date of this Universal Registration Document, to the Company's knowledge, none of the shares comprising its capital was pledged.

6.3.8 Share buy back agreement

6.3.8.1 Description of the 2019 buy back agreement

a) Legal framework

By approving the twenty-third resolution of the Combined Shareholders' Meeting of April 26, 2019, shareholders authorized the Management Board to implement a share buy-back agreement in accordance with Article L. 225-209 of the French Commercial Code and the French financial markets authority General regulation (the "**Buy back Agreement**"). This authorization cancels and replaces that granted at the Shareholders' Meeting of May 17, 2018.

b) Characteristics of the buy-back agreement

The buy-back program was approved for a period of 18 months from the date of the Shareholders' Meeting of April 26, 2019, until October 25, 2020. Pursuant to such authorization, the maximum purchase price per share is €20.00. The Management Board was authorized to buy a number of shares representing up to 10% of the Company's share capital at December 31, 2018, i.e., a maximum of 16,103,088 shares.

The different objectives of the Buy-back Agreement, pursuant to the regulation in force and market practices accepted by the French financial markets authority are as follows:

- canceling in whole or in part, treasury shares by virtue of an authorization to the Management Board conferred by the Extraordinary Shareholders' Meeting; or
- creating a market for the share within the framework of a liquidity contract entered into with an independent investment services provider in accordance with market practices approved by the AMF; or
- allocating or transferring of shares to employees and corporate officers of the Company and/or companies that are or will be related to it under the conditions defined by the applicable law, notably the exercise of stock options, the grant of free shares company profit-sharing schemes; or
- any hedging transactions related to transactions for the benefit of employees and corporate officers of the Company and/or its affiliates as referred to in above; or

- delivering or exchanging shares upon the exercise of rights attached to debt securities entitling the holder, in any manner, to receive shares in the Company; or
- retaining or subsequently delivering further to an exchange or in consideration of any external growth transactions; or
- any other practice allowed or recognized by law or by the AMF, or that comes to be allowed, or any other objective that complies with the prevailing regulations.

In case of transactions undertaken for purposes other than the above, the Company shall inform its shareholders through a press release.

6.3.8.2 Share buy-backs and disposals carried out by Europcar Mobility Group in 2019

In fiscal year 2019, the Management Board implemented the Buy-back Agreement and bought a total of 6,380,722 shares at an average price of €6.74 for a total cost of €43,032,506.87, distributed as follows:

a) Buy-back of shares for cancellation

Europcar Mobility Group did not cancel any shares during fiscal year 2019.

b) Buy-back of shares for market making purposes under the liquidity contract

At December 31, 2019, 135,000 shares were held under this liquidity contract.

The total number of shares bought in fiscal year 2019 on behalf of the Company under a liquidity contract dated January 24, 2019, replacing the liquidity contract of August 7, 2015, as amended by the additional agreements of August 7, 2015 and July 29, 2016 for the purposes of market making entered into with Rothschild Martin Maurel, was 2,192,555 shares bought back at an average price of €5.8303 per share, for a total cost of €12,971,651.77. 492,927 of these shares were acquired at an average price of €7.503 per share, for a total cost of €3,694,150.28 pursuant to the authorization granted by the 18th resolution approved by the Combined Shareholders' Meeting of May 17, 2018, and 1,699,628 shares were acquired at an average price of €5.2936 per share, for a total cost of €9,277,501.49, pursuant to the authorization granted by the 23rd resolution approved by the Combined Shareholders' Meeting of Friday, April 26, 2019.

c) Buy-back of shares to be allocated to employees and corporate officers

In fiscal year 2019, the Company purchased 5,143,256 shares at an average price of €6.55 for a total cost of €33,719,159 for the purpose of allocating them to employees and corporate officers.

d) Buy-back of shares for retention and for future use in external growth transactions

In fiscal year 2019, the Company purchased 1,235,466 shares at an average price of €7.53 for a total cost of €9,313,348 for the purpose of holding them and subsequently delivering them as part of external growth transactions.

e) Disposals of shares during fiscal year 2019

During fiscal year 2019, the total number of shares sold on behalf of the Company, under the liquidity contract entered into on January 24, 2019, for the purposes of market making entered into with Rothschild Martin Maurel was 2,057,555 shares, at an average price of €6.188 per share, for a total cost of €12,382,889.87.

f) Methods used for share buy-backs

During the 2019 fiscal year, the Company purchased 6,548,469 shares through direct purchases on the market at an average price of €6.77 per share for a total cost of €44,334,831.63, as part of the share purchase agreements.

Indeed, the Company entered into two share purchase agreements on December 21, 2018 and October 24, 2019 with Rothschild Martin Maurel as part of setting up a share buy-back program. Pursuant to the purchase agreement of December 21, 2018, the Company purchased a total of 5,227,644 shares at an average price of €7.524, for a total cost of €39,032,450.25 in fiscal year 2019. Pursuant to the purchase agreement of October 24, 2019, the Company purchased a total of 1,153,078 shares at an average price of €3.604, for a total cost of €4,000,056.62 in fiscal year 2019.

The Company did not use derivatives to make its purchases during this period.

g) Possible re-allocations

The Company did not re-allocate any shares during fiscal year 2019.

h) Amount of trading fees

The amount of trading fees with respect to share buy-backs totaled €88,669.21 excluding taxes in fiscal year 2019.

6.3.8.3 Share buy-backs and disposals carried out in early 2020

Since the start of fiscal year 2020 and up to April 30, 2020, Rothschild Martin Maurel has not bought any shares on behalf of Europcar Mobility Group as part of its share acquisition mandate.

As part of a liquidity contract signed on January 24, 2019 with Rothschild Martin Maurel, the total number of shares purchased between the start of fiscal year 2020 and April 30, 2020 is 644,571 shares at an average price of €3.366 per share, for a total cost of €2,388,794.19 and the total number of shares sold is 779,571 shares at an average price of €3.370 per share for a total of €2,627,154.27 euros.

6.3.8.4 Authorization to be voted on at the Shareholders' Meeting of June 12, 2020

The Management Board will be seeking a new 18-month authorization at the Shareholders' Meeting to be held on June 12, 2020, to buy up to 10% of the outstanding shares in the Company (i.e., for information, 16,388,427 shares at December 31, 2019) at a maximum price per share of €20, on the understanding that the total maximum amount that the Company may devote to the buy-back of its own shares may not exceed €75 million.

If this authorization is approved by the Shareholders' Meeting of June 12, 2020, the Company will buy back these shares, in accordance with Article L. 225-209 of the French Commercial Code, Articles 241-1 et seq. of the French financial markets authority General regulation, Article L. 451-3 of the French Monetary and Financial Code and European regulations on market abuse for:

- canceling in whole or in part, treasury shares by virtue of an authorization to the Management Board conferred by the Extraordinary Shareholders' Meeting;
- creating a market for the share within the framework of a liquidity contract entered into with an independent investment services provider in accordance with market practices permitted by the AMF;
- allocating or transferring of shares to employees and corporate officers of the Company and/or companies that are or will be related to it under the conditions defined by the applicable law, notably the exercise of stock options, the grant of free shares company profit-sharing schemes;
- any hedging transactions related to transactions for the benefit of employees and corporate officers of the Company and/or its affiliates as described above;
- delivering or exchanging shares upon the exercise of rights attached to debt securities entitling the holder, in any manner, to receive shares in the Company;
- retaining or subsequently delivering further to an exchange or in consideration of any external growth transactions;
- any other practice allowed by law or by the AMF, or that comes to be allowed, or any other objective that complies with the prevailing regulations.

In case of transactions undertaken for purposes other than the above, the Company shall inform its shareholders through a press release.

These transactions may be carried out during 18 months from June 12, 2020 within the limits set by the applicable regulations.

6.3.9 Conditions governing all rights of acquisition and/or all obligations attached to subscribed but not paid up share capital

Not applicable.

6.3.10 Share capital of any company within the Group subject to an option or an agreement providing for it to be placed under option

Not applicable.

6.4 PRINCIPAL SHAREHOLDERS OF THE COMPANY

6.4.1 Company shareholding at December 31, 2019 and changes during the last three fiscal years

Share capital distribution during the last three fiscal years

The table below gives information about the Company's shareholding structure at December 31, 2019, and its changes during the last three years. In accordance with the French financial markets authority's Position-Recommendation 2009-16, it shows theoretical or "gross" voting rights, which include votes attached to non-voting shares in accordance with Article 223-11 of the French financial markets authority General regulation. This forms the denominator for shareholders to calculate their percentage holdings of the share capital and voting rights for the purpose of regulatory declarations (including threshold crossing regulations).

At December 31, 2019, to the Company's knowledge, with the exception of Eurazeo S.E., Morgan Stanley, CIAM, and Financière de l'Échiquier Management S.p.A., no other shareholders held, either directly or indirectly, alone or in concert, more than 5% of the share capital or voting rights.

	Shares	% of share capital	Theoretical voting rights	% of theoretical voting rights	Voting rights exercisable in shareholders' meetings	% Voting rights exercisable in shareholders' meetings
At December 31, 2019						
Eurazeo S.E.	48,988,240	29.89%	48,988,740	29.79%	48,988,240	31.51%
Morgan Stanley	13,330,226	8.13%	13,330,226	8.11%	13,330,226	8.57%
CIAM	12,151,978	7.42%	12,151,978	7.39%	12,151,978	7.82%
Financière de l'Échiquier	9,552,508	5.81%	9,552,508	5.79%	9,552,508	6.12%
Invesco	8,117,866	4.95%	8, 117,866	4.93%	8,117,866	5.22%
ECIP Europcar Sarl (4)	4,990,000	3.05%	4,990,000	3.03%	4,990,000	3.21%
Executives and employees	4,644,698	2.83%	4,912,358	2.99%	4,912,358	3.16%
Public	53,176,483	32.45%	53,481,498	32.52%	53,909,001	34.39%
Treasury shares	8,962,279	5.47%	8,962,279	5.45%	0	0.00%
TOTAL	**163,884,278**	**100%**	**164,457,453**	**100%**	**155,495,174**	**100%**
At December 31, 2018						
Eurazeo S.E.	48,987,740 (1)	30.42%	48,988,006	30.40%	48,988,066	31.23%
Morgan Stanley	8,177,148	5.08%	8,177,148	5.07%	8,177,148	5.21%
Kairos Investment Management S.p.A.	8,072,043	5.01%	8,072,043	5.01%	8,072,043	5.15%
ECIP Europcar Sarl (4)	4,990,000	3.10%	4,990,000	3.10%	4,990,000	3.18%
Executives and employees	2,170,500 (2)	1.35%	2,229,555	1.38%	2,229,555	1.42%
Public	84,299,003	49.91%	84,370,893	52.36%	84,370,893	53.79%
Treasury shares	4,315,547	2.68%	4,315,547	2.68%	0	0.00%
TOTAL	**161,030,883**	**100%**	**161,162,094**	**100%**	**156,846,547**	**100%**
At December 31, 2017						
Eurazeo S.E.	48,960,740 (1)	30.40%	48,961,006	30.40%	48,961,006	30.56%
Morgan Stanley	9,047,141	5.62%	9,047,141	5.62%	9,047,141	5.65%
Kairos Investment Management S.p.A.	8,072,043	5.01%	8,072,043	5.01%	8,072,043	5.04%
ECIP Europcar Sarl (4)	7,017,713	4.36%	7,017,713	4.36%	7,017,713	4.38%
Executives and employees	2,399,423 (2)	1.49%	2,398,122	1.49%	2,398,122	1.50%
Public	84,699,073	52.60%	84,725,258	52.60%	84,725,258	52.88%
TREASURY SHARES	834,750	0.52%	834,750	0.52%	0	0.00%
TOTAL	**161,030,883**	**100%**	**161,056,033**	**100%**	**160,221,283**	**100%**

(1) Of which 234 Class D preferred shares.
(2) Of which 2,519 Class C preferred shares and 2,281 Class D preferred shares held by certain current or former Group employees or executives.
(3) Of which 4,045 Class C preferred shares and 3,807 Class D preferred shares held by certain current or former Group employees or executives.
(4) ECIP Europcar Sarl is a Luxembourg company whose main purpose is the holding of securities (Soparfi) and whose shareholders are Eurazeo Partners and Eurazeo Partners B, Luxembourg-law co-investment vehicles alongside Eurazeo.

6.4.2 Notices of threshold crossings

During fiscal year 2019, the following legal threshold crossings were declared:

Shareholder	Date of threshold crossing	No. of AMF declaration	Shares held	% of share capital and/or declared voting rights	Threshold crossing (upwards or downwards)
Morgan Stanley & Co. International plc (1)	May 16, 2019	219C0837	246,298	0.15%	↘
Morgan Stanley France S.A	May 16, 2019	219C0837	13,187,665	8.19% 8.18%	↗
Morgan Stanley France S.A (2)	May 23, 2019	219C0890	115,664	0.07%	↘
Morgan Stanley & Co. International plc	May 23, 2019	219C0890	13,705,695	8.51% 8.50%	↗
Financière de l'Echiquier (3)	July 26, 2019	219C1292	8,181,441	5.08% 5.07%	↗
Financière de l'Echiquier (4)	August 19, 2019	219C1437	8,104,331	4.95% 4.92%	↘
Financière de l'Echiquier (5)	October 29, 2019	219C2120	8,420,464	5.14% 5.12%	↗
CIAM (6)	November 7, 2019	219C2258	8,225,754	5.02% 5.002%	↗
Invesco Ltd (7)	November 15, 2019	219C2357	8,546,706	5.22% 5.20%	↗
Morgan Stanley & Co LLC (8)	November 19, 2019	219C2442	11,870	0.01%	↘
Morgan Stanley & Co. International plc (9)	November 21, 2019	219C2477	13,330,226	8.13% 8.11%	↗
Morgan Stanley & Co LLC (10)	November 22, 2019	219C2497	14,257	0.01%	↘

(1) This threshold crossing was the result of the return of shares lent by Morgan Stanley France S.A to Morgan Stanley & Co International plc.
(2) This threshold crossing was the result of shares lent by Morgan Stanley France S.A to Morgan Stanley & Co International plc.
(3) This threshold crossing was the result of an acquisition of shares by the Company.
(4) This threshold crossing was the result of a market disposal of the shares by the Company.
(5) This threshold crossing was the result of an acquisition of shares by the Company.
(6) This threshold crossing was the result of an acquisition of shares by the Company.
(7) This threshold crossing was the result of an acquisition of shares by the Company.
(8) This threshold crossing was the result of an off-market disposal of shares by the Company, as a result of which the trading exemption applies for the declarant.
(9) This threshold crossing was the result of an off-market acquisition of shares by the Company, as a result of which the trading exemption applies for the declarant.
(10) This threshold crossing was the result of an off-market disposal of shares by the Company, as a result of which the trading exemption applies for the declarant.
↗ Threshold crossing (upwards).
↘ Threshold crossing (downwards).

From January 1, 2020 to May 4, 2020, the following legal threshold crossings were declared:

Shareholder	Date of threshold crossing	No. of AMF declaration	Shares held	% of share capital and/or declared voting rights	Threshold crossing (upwards or downwards)
Morgan Stanley & Co. International plc	January 14, 2020	220C0180	11,499,507	7.02%	↗
Morgan Stanley & Co. International plc	January 15, 2020	220C0197	368,084	0.22%	↘
Morgan Stanley & Co. International plc	January 16, 2020	220C0217	10,742,884	6.56%	↗
Morgan Stanley & Co. International plc	January 17, 2020	220C0237	368,084	0.22%	↘
Invesco Ltd.	January 20, 2020	220C0262	8,117,866	4.95%	↘
Morgan Stanley & Co. International plc	January 21, 2020	220C0266	11,111,547	6.78%	↗
Morgan Stanley & Co. International plc	February 17, 2020	220C0636	349,509	0.21%	↘
Morgan Stanley & Co. International plc	February 20, 2020	220C0690	13,372,152	8.16%	↗
Financière de l'Échiquier	March 16, 2020	220C0971	4,930,369	3.01%	↓
CIAM	March 19, 2020	220C1033	17,253,425	10.53%	↑
Morgan Stanley Corp.	April 2, 2020	220C1192	9,711,819	5.93%	↘
Morgan Stanley Corp.	April 8, 2020	220C1231	16,182,117	9.87%	↗
Morgan Stanley Corp.	April 16, 2020	220C1279	9,488,298	5.79%	↘
Kairos Investment Management S.p.A.	April 17, 2020	220C1288	8,148,273	4.97%	↘
Morgan Stanley & Co. LLC	April 17, 2020	220C1299	544		↘
Morgan Stanley Corp	May 4, 2020	220C1426	15,198,610	9.27%	↗

6.4.3 Shareholders' voting rights

Information on voting rights is provided in Section 6.2.5 "shareholders' meetings" of this Universal Registration Document.

6.4.4 Control of the Company

At the date of this Universal Registration Document, Eurazeo is the Company's reference shareholder. The Company believes there is no risk that control will be exercised in an abusive manner. In this regard, at least half of the Supervisory Board is composed of independent members and each of the three specialized committees, namely the Audit Committee, the Strategic Committee and the Compensation and Nominations Committee, is made up of a majority of independent members, and all three are chaired by an independent member of the Supervisory Board.

At the date of this Universal Registration Document, 6 of the 11 members of the Supervisory Board are considered independent. Three of the four members of the Audit Committee, two of the four members of the Compensation and Nominations Committee, and three of the five members of the Strategic Committee are also considered to be independent.

At December 31, 2019, the Company was 32.45% held by the public and 29.89% held by Eurazeo, with the balance of the share capital being held by Morgan Stanley with 8.13%, CIAM with 7.42%, Financière de l'Échiquier with 5.81%, Invesco for 4.95%, ECIP Europcar SARL for 3.05%, with 2.83% held by the employees and executives of the Group. At December 31, 2019, the Company held treasury shares account for 5.47%.

For matters concerning the absence of conflicts of interest see Section 5.1.3.3 "No conflicts of interest" in this Universal Registration Document.

6.4.5 Shareholders' agreements

6.4.5.1 Agreements concerning Company securities declared to the French financial markets authority

Pursuant to Article L. 233-11 of the French Commercial Code, the French financial markets authority has made public the shareholders' agreement signed on July 31, 2015 between Eurazeo and ECIP Europcar (Decision and Information No. 215C1243). This agreement bears on the possible sale of their respective investments in the Company.

The main provisions of the agreement are as follows:

- absence of action in concert: the parties have declared that they do not intend to act in concert with each other with regard to the Company within the meaning of Article L. 233-10 of the French Commercial Code;
- transfer of securities: the agreement provides that in case of sale of all or part of the interest held by Eurazeo and ECIP Europcar in the capital of the Company, Eurazeo and ECIP Europcar will sell their respective investments in the Company concurrently on the same legal and financial terms. In case of partial sale, the number of shares of the Company sold respectively by Eurazeo and ECIP Europcar will be determined in proportion to their respective investments in the Company before the partial sale in question;
- term of the agreement: the agreement provides that it will last as long as each party holds shares in the Company. Either party may terminate the shareholders' agreement by written notification to the other party at least three months before the effective date of termination.

6.4.5.2 Agreements entered into by shareholders

Investment Agreement

In conjunction with the issuance by the Company of Class C and Class D preferred shares (the "C Shares" and the "D Shares") on May 7, 2015 Eurazeo concluded an agreement with a number of Group executives and employees on the Executive Committee (the "C Managers") relating to the subscription by the C Managers of C Shares and by Eurazeo of D shares (the "Investment Agreement").

The D Shares were subject to a promise by Eurazeo to sell them to C Managers and an obligation imposed on C Managers to purchase them from Eurazeo in the event of the signing of a security agreement relating to the IPO. The D Shares were sold by Eurazeo to the C Managers following the signing of a security agreement as part of the IPO.

The main provisions of this agreement remain in force since the IPO and are summarized below.

In accordance with this agreement, the Class C preferred shares and Class D preferred shares held by the C Managers may not be sold, subject to certain exceptions, such as, in particular, the sale to Eurazeo in the event of certain departures by C Managers in the two years following the effective date of the agreement. The provisions with respect to the sale of shares to Eurazeo will terminate once Eurazeo no longer holds any shares of the Company. In accordance with these provisions, following the departure of one of the C Managers, in June 2016 Eurazeo bought back 234 D shares held by the latter.

The parties also undertook to ensure that decisions subject to prior authorization by the Supervisory Board under the by-laws are not adopted without the Supervisory Board's prior authorization.

The Investment Agreement has a term of ten years and will terminate (i) in the event of a successful public offering for all of the Company's share capital following a transfer by Eurazeo of its ordinary shares to a third party, or (ii) in the event that Eurazeo tenders its ordinary shares of the Company to a public offering.

In accordance with applicable law, prior to the Annual Shareholders' Meeting of February 24, 2015 that authorized the issuance of the Class C preferred shares and the Class D preferred shares, special Statutory Auditors' reports and a report by a Contribution auditor (commissaire aux apports) in charge of assessing special benefits were prepared.

Pursuant to the terms and conditions of the C Shares and D Shares, as set out in Appendices A and B to the Company's by-laws, due to the absence of a request for conversion into ordinary shares before 31 December 2019, the C Shares and D Shares were automatically and fully converted into ordinary shares on 31 December 2019 with a conversion ratio of one C Share and D Share giving the right to one ordinary share of the Company with a par value of 1 euro. As a result of the automatic conversion of the C Shares and D Shares into ordinary shares on 31 December 2019, the Investment Agreement has de facto become null and void.

6.4.6 Agreements likely to lead to a change of control

As of the date of this Universal Registration Document, to the Company's knowledge, there are no agreements whose enforcement could lead to a change of control at a later date.

6.5 PROFIT-SHARING AGREEMENT AND INCENTIVE PLANS – EMPLOYEE SHAREHOLDING

For more information on profit-sharing and on stock options held by members of the Management Board and Supervisory Board and by certain Group employees, see Section 5.3 "Compensation and benefits in any kind for members of the Management Board and Supervisory Board" and Section 6.3 "Share Capital" in this Universal Registration Document.

As at December 31, 2019, the employees of the Company and its affiliates held a total of 4,534,551 ordinary shares, representing a total of 2.77% of the Company's share capital and 2.89% of its voting rights.

6.5.1 Profit-sharing agreements

Pursuant to Article L. 3322-2 of the French Labor Code, profit-sharing agreements are mandatory in companies with 50 or more employees which have taxable profits of greater than a 5% return on shareholders' equity.

The companies Europcar International S.A.S.U. and Europcar France, which have more than 50 employees each, have entered into their own profit-sharing agreements. Each agreement covers all employees that have been with either company for more than three months.

The equation set forth in the French Labor Code is used to calculate the special profit-sharing reserve for each agreement.

6.5.2 Company savings plans and similar plans

Pursuant to Articles L. 3323-2 and L. 3323-3 of the French Labor Code, companies with profit-sharing agreements are also required to maintain a company savings plan. A company or group savings plan is a collective savings scheme offering employees of the member companies the ability, with the help of their employer, to build an investment portfolio. In particular, it can receive amounts from a profit-sharing agreement or incentive plan as well as voluntary contributions. Amounts invested in a company savings plan cannot be withdrawn for five years except in the early withdrawal cases provided for by law.

The Company is part of a group savings plan with Europcar International S.A.S.U., while the Company Europcar France has its own company savings plan.

In accordance with Article L. 3332-25 of the French Labor Code, investors have the right to liquidate the assets available in the plan in order to exercise options on shares granted pursuant to Articles L. 225-177 or L. 225-179 of the French Commercial Code. The shares thus subscribed for or purchased by the investor are then paid into the savings plan and only become available five years after this payment.

6.5.3 Incentive plans

The incentive plan is an optional scheme whose purpose is to enable a company to give employees a collective interest in the Company's results or performance through immediately payable bonuses pursuant to Article L. 3312-1 of the French Labor Code defined by means of a random equation contingent on the Company's results or performance.

As such, the Group has incentive plans with the majority of its French entities.

6.5.4 Employee shareholding

In 2016, the Group launched the ESOP 2017 Plan, its first international share offer reserved for employees of the Company and Group subsidiaries wholly owned either directly or indirectly by the Company, who are members of Europcar's Group Employee Savings Plan (the "GESP") and the International Group Employee Savings Plan ("IGESP") and whose registered offices are in Australia, Belgium, France, Germany, Spain, Italy, New Zealand, Portugal, the USA and the United Kingdom.

In the summer of 2019, the Group launched a new employee shareholding plan, weShare 2019. Offered to the vast majority of the Group's employees in sixteen countries (Australia, Austria, Belgium, Luxembourg, Denmark, France, Germany, Greece, Ireland, Italy, New Zealand, Portugal, Slovakia, Spain, Turkey and the United Kingdom), this new plan has enabled the integration of recent acquisitions such as Ireland, Denmark, Goldcar and Buchbinder. At the same time, the Group capitalized on its strategy and values.

The shares held by Group employees represented 2.77% of the Company's share capital and 2.89% of its voting rights at December 31, 2019.

6.6 ITEMS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC TAKEOVER BID

The disclosures required pursuant to Article L. 225-37-5 of the French Commercial Code are contained in Sections 6.3 "Share capital" (concerning the capital structure), 6.4.5.1 "Agreements concerning Europcar securities declared to the French financial markets authority" (on clauses in agreements notified to the Company pursuant to Article L. 233-11 of the French Commercial Code), 6.4.2. "Notices of threshold crossings" (relating to investments reported under Article L. 233-7 the French Commercial Code), 6.4.5.2 "Agreements entered into by shareholders" (concerning shareholder agreements resulting in restrictions on the transfer of shares), 6.2.2.1 "Management Board" and 6.2.2.2 "Supervisory Board" (on the rules governing the appointment and replacement of Executive Board and Supervisory Board members and amendments to the by-laws of Europcar Mobility Group), 6.3.5.1 "Table of currently valid delegations on the date of this Universal Registration Document, concerning increases in share capital and utilization as at December 31, 2019" and 6.3.8 "Share buy-back agreement" (concerning the purchase by Europcar Mobility Group SA of its own shares), 6.4.5.2 "Agreements entered into by shareholders" (concerning agreements ending in the event of a change of control) and 5.3.1.7 "Compensation in the event of forced termination of office" (concerning the indemnities in the event of termination of office for members of the Management Board) of this 2019 Universal Registration Document.

This Universal Registration Document is available on the French financial markets authority website (www.amf-france.org) and on the Europcar Mobility Group website (http://investors.europcar-group.com).

6.7 DIVIDEND DISTRIBUTION POLICY

6.7.1 Dividend distribution policy

In accordance with the law and the Company's by-laws, the Company's shareholders may at their Shareholders' Meeting, upon the recommendation of the Management Board and the prior approval of the Supervisory Board, authorize the distribution of dividends in respect of the fiscal year just ended, or a distribution by withdrawal from the Company's share premium.

For the fiscal year ended December 31, 2016, the Shareholders' Meeting of May 10, 2017 voted in favor of a one-off cash distribution in the total amount of €59,365,633 corresponding to €0.4082 per share. The right to this special distribution was allocated on May 29, 2017 and was paid exclusively in cash on May 31, 2017.

For the fiscal year ended December 31, 2017, the Shareholders' Meeting of May 17, 2018 voted in favor of a one-off cash distribution in the total amount of €24,440,400 corresponding to €0.1518 per share. The right to this special distribution was allocated on May 29, 2018 and was paid exclusively in cash on May 31, 2018.

For the fiscal year ended December 31, 2018, the Shareholders' Meeting of April 26, 2019 voted in favor of a one-off distribution of a cash dividend of €0.16 per share, i.e. a total amount of €25,764,941.28 as well as a one-off cash distribution in the total amount of €16,103,088 corresponding to €0.10 per share. These dividends were allocated on May 21, 2019 and was paid exclusively in cash on May 23, 2019.

Against the background of the Covid-19 pandemic, on March 23, 2020, the Company announced the decision taken by the Management Board and the Supervisory Board not to propose a dividend to the Shareholders for fiscal year 2019. Future dividends will depend, in particular, on the Group's general financial position, the commitments of the Company and its subsidiaries in connection with its financing and any other factor deemed relevant by the Company's Management and Supervisory Boards.

The Company's future dividend distribution policy will take into account the Company's results, its financial position, and the restrictions applicable to the distribution of dividends under the Group's various debt instruments, which are summarized in Section 6.7.2 "Restrictions on dividend payments" below.

6.7.2 Restrictions on dividend payments

The restrictions on dividends and reserves under the Group's principal debt instruments are set out below. For more information on the Group's debt instruments, see Section 3.2.3 "Description of financing as of December 31, 2019" herein.

2024 Senior Subordinated Notes

With the exception of the possible distribution of dividends between restricted subsidiaries, the documentation applicable to 2024 Senior Subordinated Notes limits the distribution of dividends or other forms of distribution by the Company and its restricted subsidiaries. Payment of dividends and other forms of distribution are authorized as summarized below.

The documentation applicable to the 2024 Senior Subordinated Notes authorizes the payment of dividends or other forms of distributions by the Company and its subsidiaries as long as no default, or default events have taken place or may take place as a result of such a distribution and as long as the Company is able to take on at least €1 in additional debt in compliance with the restriction applicable to additional indebtedness (according to which the Company may contract additional debt as long as, on a pro forma basis, the corporate consolidated fixed charge coverage ratio (as defined under the terms of the 2024 Senior Subordinated Notes) is higher than 2.0:1.0; and the total amount of the proposed dividend (together with the amounts of the other payments subject to restrictions) and paid after the issuance date of these 2024 Senior Subordinated Notes does not exceed the following aggregate amount (without duplication):

a) 50% of consolidated net profit for the period (treated as one accounting period) from January 1, 2017 to the end of the most recent fiscal half ending prior to the date of such payment for which financial statements are available (or, in case such consolidated net income is a deficit, minus 100% of such deficit); plus

b) 100% of the aggregate net cash proceeds and the fair market value of property or assets received by the Company from the issue or sale of its qualified share capital or other capital contributions, after the completion date (other than certain exceptions); plus

c) certain other amounts relating to the conversion of certain debt securities into stock and other amounts.

Furthermore, the documentation applicable to the 2024 Senior Subordinated Notes permits the payment of dividends by the Company so long as no default or default event has occurred or might occur as a result of such payment that may not exceed an annual total of more than the highest of either:

a) 6% of the aggregate gross cash proceeds received by the Company in or from such public offering of equity securities (other than certain exceptions); and

b) (i) 7% of the Company's market capitalization (on the basis of the arithmetic mean of the closing price of the Company's share within 30 consecutive trading days which do not precede the dividend payment declaration by more than seven days); provided that after having given effect, on a pro forma basis, to the payment of such dividends, the Company's consolidated gearing ratio (as defined in the terms and conditions of the 2024 Senior Subordinated Notes) is less than 3.0: 1.0; or (ii) 5% of the Company's market capitalization, provided that after having given effect, on a pro forma basis, to the payment of such dividends, the Company's consolidated gearing ratio (as defined by the issue contract) is higher than or equal to 3.0: 1.0 but less than 3.5: 1.0.

2026 Senior Subordinated Notes

With the exception of the possible distribution of dividends between restricted subsidiaries, the documentation applicable to 2026 Senior Subordinated Notes limits the distribution of dividends or other forms of distribution by the Company and its restricted subsidiaries. Payment of dividends and other forms of distribution are authorized as summarized below.

The documentation applicable to the 2026 Senior Subordinated Notes authorizes the payment of dividends or other forms of distributions by the Company and its restricted subsidiaries insofar as no default, or default event has taken place or is likely to take place as a result of such a distribution and so long as the Company is able to contract at least €1 of additional debt in compliance with the restriction applicable to additional indebtedness (according to which the Company may contract additional debt insofar as, on a pro forma basis, the corporate consolidated fixed charge coverage ratio (as defined under the terms of the 2026 Senior Subordinated Notes) is higher than 2.0:1.0; and the total amount of the proposed dividend (together with the amounts of the other payments subject to restrictions) and paid after the issuance date of these 2026 Senior Subordinated Notes does not exceed the following aggregate amount (without duplication):

a) 50% of consolidated net profit for the period (treated as one accounting period) from January 1, 2017 to the end of the most recent fiscal half ending prior to the date of such payment for which financial statements are available (or, in case such consolidated net income is a deficit, minus 100% of such deficit); plus

b) 100% of the aggregate net cash proceeds and the fair market value of property or assets received by the Company from the issue or sale of its qualified share capital or other capital contributions, after the completion date (other than certain exceptions); plus

c) certain other amounts relating to the conversion of certain debt securities into stock and other amounts.

Furthermore, the documentation applicable to the 2026 Senior Subordinated Notes permits the payment of dividends by the Company so long as no default or default event has occurred or might occur as a result of such payment that may not exceed an annual total of more than the highest of either:

a) 6% of the aggregate gross cash proceeds received by the Company in or from such public offering of equity securities (other than certain exceptions); and

b) (i) 7% of the Company's market capitalization (on the basis of the arithmetic mean of the closing price of the Company's share within 30 consecutive trading days which do not precede the dividend payment declaration by more than seven days); provided that after having given effect, on a pro forma basis, to the payment of such dividends, the Company's consolidated financial gearing ratio (as defined in the terms and conditions of the 2024 Senior Subordinated Notes) is less than 3.0: 1.0; or (ii) 5% of the Company's market capitalization, provided that after having given effect, on a pro forma basis, to the payment of such dividends, the Company's consolidated gearing ratio (as defined by the issue contract) remains higher than or equal to 3.0: 1.0 but less than 3.5: 1.0.

EC Finance Notes

With the exception of possible distributions of dividends between restricted subsidiaries, the documentation applicable to EC Finance Notes limits the distribution of dividends by the Company and its restricted subsidiaries. Payment of dividends is authorized as summarized below.

The documentation applicable to EC Finance Notes authorizes the distribution of dividends by the Company and its restricted subsidiaries insofar as no default has occurred or is likely to occur following such a distribution and the Company is in a position to contract at least €1.00 of additional debt in accordance with the restriction applicable to additional debt (according to which the Company may contract additional debt insofar as, on a pro forma basis, the coverage ratio for the Company's consolidated fixed costs (as defined in the terms and conditions of the EC Finance Notes) exceeds 2.0: 1.0); and the total amount of the envisaged dividend (together with the amounts of the other payments subject to restrictions) and distributed subsequently to the issue date of these EC Finance Notes does not exceed the following total sum (without duplication):

a) 50% of consolidated net profit of the Company for the period (treated as one accounting period) from January 1, 2017 to the end of the most recent fiscal half ending prior to the date of such payment for which financial statements are available (or, in case such consolidated net income is a deficit, minus 100% of such deficit); plus

b) 100% of the aggregate net cash proceeds and the fair value of property or assets received by the Company from the issue or sale of its qualified share capital or other capital contributions, after the completion date (subject to certain exceptions); plus

c) certain other amounts relating to the conversion of certain debt securities into stock and other amounts.

Furthermore, the documentation applicable to EC Finance Notes authorizes the payment of dividends by the Company insofar as no default or default event has occurred or is likely to occur as a result of such payment that may not exceed an annual total of more than the highest of either:

a) 6% of the aggregate gross cash proceeds received by the Company in or from such public offering of equity securities (other than certain exceptions); and

b) (i) 7% of the Company's market capitalization (on the basis of the arithmetic mean of the closing price of the Company's share within 30 consecutive stock market days which do not precede the dividend payment declaration by more than seven days); provided that having given impact on a pro forma basis for the payment of such dividends, the Company's consolidated financial leverage (as defined in the terms and conditions of the EC Finance Notes) be less than 3.0: 1.0; or (ii) 5% of the Company's market capitalization, provided that having given effect on a pro forma basis to the payment of such dividends, the Company's consolidated financial ratio (as defined by the issue contract) shall be higher than or equal to 3.0: 1.0 but less than 3.5: 1.0.

PGE financing

In accordance with the provisions of the French government guaranteed loan (PGE Financing), Europcar Mobility Group S.A. is not allowed to pay dividends for the fiscal years ended December 31, 2019 and December 31, 2020, as doing so would trigger an accelerated amortization of the PGE Financing. For the fiscal years starting on or after December 31, 2021, Europcar Mobility Group S.A. will not be allowed to pay out dividends if its debt to equity ratio is not below 3:1.

6.8 MARKET FOR THE SHARE

6.8.1 Market where Europcar Mobility Group shares are traded

Europcar Mobility Group shares are listed on Euronext – compartment A of the Euronext Paris regulated market.

Europcar Mobility Group share fact sheet

- ISIN Code: FR0012789949.
- Listings: continuous trading on Euronext – Compartment A of the Euronext Paris regulated market.
- Other listings: none.
- Par value: €1.00.
- Securities outstanding at December 31, 2019: 163,876,192.
- Share price at December 31, 2019: €4.33.
- Market capitalization at December 31, 2019: €709,583,911.36.

6.8.2 Trading volumes and trends in 2019

Source: Bloomberg.

(Share price in euros)	**2019** High	**2019** Low	**2019** 31-Dec-19	2018 High	2018 Low	2018 31-Dec-18	% change 2019-2018 for the last share price of the year
Share	8.36	3.05	4.33	11.65	6.83	7.87	(44.90%)
CAC 40 Index	6,037.39	4,611.49	5,978.06	5,640.10	4,598.61	4,730.69	+26.37%

	2019 Total	**2019** Daily average	2018 Total	2018 Daily average
In number of shares (1)	165,300,738	648,238	95,188,791	373,289
In capital *(in millions of euros)*	841.480	3.30	867.115	3.40045

(1) Source: Euronext.

7 ADDITIONAL INFORMATION

7.1 PERSONS RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

7.1.1 Name and position of the person responsible for the Universal Registration Document

Ms. Caroline Parot, Company's Chairwoman of the Management Board.

7.1.2 Statement by the person responsible for the Universal Registration Document including the annual financial report

I hereby certify, having taken all reasonable measures to this effect, that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission liable to affect its scope.

I certify that, to the best of my knowledge, the financial statements were prepared in accordance with applicable accounting standards and that they give a fair view of the assets, financial position and results of the Company and of all companies included in the consolidation, and that the management report appearing in this Universal Registration Document, and listed in the concordance table in Section 7.7 of this Universal Registration Document, provides a faithful picture of the development of the business, results and financial position of the Company and all companies included in the consolidation, as well as a description of the principal risks and uncertainties they face.

Caroline Parot
Chairwoman of the Management Board

7.1.3 Name and position of the person responsible for the financial information

Luc Peligry
Chief Financial officer
13 ter Boulevard Berthier, 75017 Paris, France
E-mail: investor.relations@europcar.com
Tel: +33 1 30 44 98 98
http://investors.europcar-group.com

7.1.4 Persons responsible for auditing the financial statements

7.1.4.1 Statutory Auditors

	Start date of 1st term	Date of renewal of last term of office	Term (expiry) of current term of office
PricewaterhouseCoopers Audit (member of the Compagnie Régionale des Commissaires aux Comptes de Versailles) Represented by Romain Dumont 63 rue de Villiers, 92200 Neuilly-sur-Seine	March 9, 2006	May 17, 2018	At the end of the Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2023
Mazars (member of the Compagnie Régionale des Commissaires aux Comptes de Versailles) Represented by Isabelle Massa 61 rue Henri Regnault, 92400 Courbevoie	May 16, 2013	April 26, 2019	At the end of the Shareholders' Meeting called to approve the financial statements for the fiscal year ended Tuesday, December 31, 2024 (1)

7.2 RELATED PARTY TRANSACTIONS

7.2.1 Guarantee

The Company has granted its subsidiaries a joint and several guarantee for the benefit of a group of lenders (including in particular Crédit Agricole Corporate and Investment Bank, Deutsche Bank AG and Société Générale) to guarantee the payment of sums owed by the Group's borrowing entities (the Company, Europcar International S.A.S.U, Europcar Holding S.A.S., Europcar Autovermietung GmbH, Europcar International S.A.S.U. & Co. OHG, Europcar France S.A.S. and Europcar IB, S.A.) pursuant to Clause 24.1 of the Senior Revolving Facility Agreement entered into on July 13, 2017, as amended on December 21, 2018 and May 29, 2019 between in particular the Group of lenders, the Group's borrowing entities and the guarantors (i.e. The Group's borrowing entities, plus Europcar UK Ltd. and Europcar Italia S.p.A.).

See Section 3.2 "the Group's liquidity and capital resources" in this Universal Registration Document for information on the guarantees and securities granted by Group entities in connection with the Group's financing.

7.2.2 Cash Pooling Agreement

On April 27, 2011, the Company (as a centralized company) entered into a cash management agreement with its indirect subsidiary Europcar Holding (as a centralizing company) and certain other Group entities as centralized companies (Europcar International S.A.S.U., Europcar France S.A.S., Europcar Participations S.A.S., Europcar S.A., Europcar Autovermietung GmbH, Europcar Italia S.p.A., Europcar Internacional Aluguer de Automoveis S.A., Europcar Services, Unipessoal Lda, Europcar IB S.A., Europcar UK Ltd., Europcar Mobility Group UK Ltd., PremierFirst Vehicle Rental Franchising Limited, Executive Trust Limited, Europcar Lab S.A.S., Lor'Rent S.A.S., Buchbinder Holding GmbH, Charterline Fuhrpark Service GmbH, Car Partner Leasing GmbH, LC EC Participations Investments S.L.U., Car Rentals TopCo S.L.U., Car Rentals ParentCo S.A.U., Car Rentals Subsidiary S.A.U., Goldcar Spain S.L.U., Interrent S.à.r.l and Ubeeqo International S.A.S.) in order to optimize cash management (shortages and surpluses) within Group companies and to be able to negotiate optimal banking terms.

7.2.3 Loan Agreement

The Company and Europcar International S.A.S.U. are parties to a loan of €144,122,000. This loan was initially granted by the Company to Europcar Holding S.A.S., a subsidiary of Europcar International S.A.S.U., for the acquisition of operating companies in the United Kingdom. In connection with the recapitalization of Europcar Holding S.A.S. in 2014, the Company transferred the loan to Europcar International S.A.S.U. Since the loan transfer, Europcar International S.A.S.U. owes this amount to the Company.

7.2.4 Tax Agreements

Since July 1, 2006, the Company and its direct and indirect French subsidiaries of which it holds more than 95% have formed a tax consolidation group. The Company created the Group by entering into tax consolidation agreements with each of the member companies to govern the subsidiaries' contribution to the tax consolidation group's taxes, of which the Company is the sole taxpayer in its capacity as the parent company. The Supervisory Board of February 24, 2016 decided to reclassify the tax consolidation agreement between the Company and Europcar International S.A.S., Europcar Holding S.A.S., Europcar Lab S.A.S., Europcar Participations S.A.S., Europcar France S.A.S., EuropHall S.A.S., Parcoto Services S.A.S., EC3 S.A.S.U., EC4 S.A.S.U. and Locaroise S.A.S., insofar as this agreement is entered into between the Company and its directly or indirectly wholly owned subsidiaries, in accordance with the provisions of Article L. 225-87 of the French Commercial Code. In respect of the 2019 fiscal year, the following companies are included in the tax consolidation group: Ubeeqo International S.A.S.U., Ubeeqo France S.A.S.U., Goldcar FleetCo France SARL and Goldcar France SARL.

Since 2010, the Group has also maintained a second tax consolidation group in France, of which the parent company is Securitifleet Holding S.A. This tax consolidation group includes in 2019 Securitifleet S.A.S., SF Location S.A.S., Goldfleet France S.A.S. and Goldfleet Location S.A.S.

7

7.2.5 General Services Agreement signed by the Company

The Company provides Europcar International S.A.S.U. with its know-how regarding fleet organization, sales, marketing, communications, Human Resources management, accounting, finance, operations and legal services. In consideration of these services, Europcar International S.A.S.U. pays monthly compensation to the Company calculated using the cost-plus method. Under the terms of this agreement, management fees of €7,759,378 were billed for 2019.

The Company acquired the InterRent® brand from Europcar International S.A.S. In this regard, the Company receives a 1% fee from Europcar International S.A.S. for the brand's concession.

7.2.6 Agreements signed by Europcar International

Europcar International S.A.S. entered into license agreements for the Europcar trademark® with the Group's operating companies in 2001 and with the Australian and New Zealand subsidiaries in 2009. In 2013, Europcar International S.A.S.U. entered into license agreements for the InterRent® trademark with the operating entities using that trademark (in the United Kingdom, Spain, Portugal, France and Germany), under which Europcar International S.A.S.U. receives royalties based on a percentage of the operating entities' revenues (2.75% for the Europcar® trademark and 1% for the InterRent® trademark). The operating entities have the right to sub-license the trademarks with Europcar International S.A.S.U.'s approval. The license agreement relating to the Europcar trademark has a term of five years, with automatic renewal each year. The license agreement relating to the InterRent® trademark has a term of two years, renewable automatically for further one-year periods.

Europcar International S.A.S. has also entered into international franchise agreements in over 130 countries, for which payment consists of trademark royalties in varying amounts depending on the franchisee and the services rendered.

In 2011, Europcar International S.A.S. entered into General Services Agreements with each of the main operating entities. The services rendered relate in particular to senior management, finance, Human Resources, legal, sales and marketing, fleet management, procurement and customer service. In consideration of these services, the operating entities pay monthly compensation to Europcar International S.A.S.U. calculated using the cost-plus method (as defined in the OECD guidelines). Amendments to these contracts have been entered into to take into account the changes since 2011 in the departments and services that make up Europcar International S.A.S.U.

Europcar International S.A.S. entered into a service agreement dated May 19, 2014 with Europcar Services, Unipessoal, Lda through which the shared services center located in Portugal bills to Europcar International S.A.S.U. its costs calculated using the cost-plus method (as defined in the OECD guidelines).

Europcar International S.A.S.U. entered into an IT services agreement with the operating companies, applicable since November 1, 2014. In consideration of these services, the operating entities pay monthly compensation to Europcar International S.A.S.U. calculated using the cost-plus method (as defined in the OECD guidelines). Prior to November 1, 2014, information services were provided by the Europcar Information Services European Economic Interest Grouping (the "EEIG"). The operating entities contributed a percentage of their revenues and in return had access to various services rendered by the EEIG. The EEIG was converted into a general partnership (société en nom collectif) in November 2014 and then merged with Europcar International S.A.S.U. through a complete transfer of assets and liabilities as of January 2, 2015.

In 2017, Europcar International S.A.S. entered into a services agreement with each of Europcar Participations S.A.S. and Europcar International S.A.S.U. und Co. OHG, which will allow them to invoice Europcar International S.A.S.U. for the cost of expertise on a cost-plus basis (as defined in the OECD principles).

For a description of transactions with companies over which the Company has significant influence, see Note 11 "Related Parties" to the Group's consolidated financial statements included in Section 3.4 "Consolidated financial statements and Statutory Auditors' report for fiscal year ended Tuesday, December 31, 2019" of this Universal Registration Document.

7.2.7 Agreements signed with the Company's corporate officers

During the 2019 financial year, the agreement described below was authorized by the Supervisory Board on January 31, 2019 and approved by the Annual shareholder's meeting on April 26, 2019.

- commitments made in favor of Mr. Albéric Chopelin by the Supervisory Board meeting of January 31, 2019. For further information on compensation due in the event that a non-compete clause is put into effect, see Section 5.3.1.8 " Compensation under a non-compete clause" of this Universal Registration Document;
- service agreement concluded with Basin Street Partners LLC, of which Mr. Sanford Miller, a member of the Supervisory Board, is a managing partner. Exceptional compensation allocated by the Supervisory Board to

Mr. Sanford Miller, member of the Supervisory Board, under a six-month advisory assignment concerning the Group's international development. Gross monthly compensation of €4,000 over a six-month period. No sums were paid during fiscal year 2018. A gross amount of €24,000 was paid in fiscal year 2019, of which a gross amount of €8,000 for fiscal year 2018. For further information on this service agreement, see Section 5.3.2.2 of this Universal Registration Document;

The agreements listed below and described in Section 7.4 "Statutory Auditors' special report on related party agreements and regulated commitments" of this Universal Registration Document were authorized by the Supervisory Board during previous fiscal years and had already been approved by the Shareholders' Meeting:

- renewal of commitments taken in favor of Ms. Caroline Parot under the terms of her mandate agreement by the Supervisory Board at its meeting on December 21, 2018. Mandate agreement for Ms. Caroline Parot, authorized by the Supervisory Board on December 15, 2016 and entered into on December 22, 2016 between the Company and Ms. Caroline Parot in her capacity as Chairwoman of the Management Board. Compensation payable to Ms. Caroline Parot in the event of dismissal, relating to termination of office and under a non-compete clause, is described more fully in Sections 5.3.1.7 "Compensation in the event of forced termination of office" and 5.3.1.8 "Compensation under a non-compete clause" of this Universal Registration Document;
- renewal of the commitments made by the Supervisory Board meeting of December 21, 2018 in favor of Mr. Fabrizio Ruggiero. Commitments made by the Supervisory Board meeting of July 22, 2016 in favor of Mr. Fabrizio Ruggiero. For further information on compensation due in the event that a non-compete clause is put into effect, see Section 5.3.1.8 "Compensation under a non-compete clause" of this Universal Registration Document;
- commitments made by the Supervisory Board meeting of October 18, 2018 in favor of Mr. Olivier Baldassari. For further information on compensation due in the event that a non-compete clause is put into effect, see Section 5.3.1.8 " Compensation under a non-compete clause" of this Universal Registration Document;
- mandate agreement for Ms. Caroline Parot, authorized by the Supervisory Board on December 15, 2016 and entered into on December 22, 2016 between the Company and Ms. Caroline Parot in her capacity as Chairwoman of the Management Board. Compensation payable to Ms. Caroline Parot in the event of dismissal, relating to termination of office and under a non-compete clause, is described more fully in Sections 5.3.1.7 "Compensation in the event of forced termination of office" and 5.3.1.8 "Compensation under a non-compete clause" of this Universal Registration Document;
- commitments made by the Supervisory Board meeting of July 22, 2016 in favor of Mr. Fabrizio Ruggiero. For further information on compensation due in the event that a non-compete clause is put into effect, see Section 5.3.1.8 "Compensation under a non-compete clause" of this Universal Registration Document;

For further information on these agreements see Section 7.4 "Statutory Auditors' special report on related party agreements and regulated commitments".

7.3 IMPORTANT CONTRACTS

The following significant contracts are described in Section 3.2.3.1 "Corporate Debt" and Section 3.2.3.2 "Debt related to fleet financing" of this Universal Registration Document:

- senior Revolving Facility Agreement (RCF) (Multicurrency Revolving Facility Agreement) dated July 13, 2017 as amended on December 21, 2018 and May 29, 2019;
- debt issue agreement (indenture) for corporate bonds dated November 2, 2017;
- debt issue agreement (indenture) for corporate bonds dated April 24, 2019;
- debt issue agreement (indenture) for bonds concerning the fleet dated November 2, 2017, plus a new tranche of bonds dated June 29, 2018;
- NEU CP "Negotiable European Commercial Paper" program launched on February 11, 2019;
- unsecured term loan concluded on December 27, 2019;
- amendments to the securitization documents, to allow the financing of the Goldcar fleet in France, Italy and Spain, dated May 14, 2018; and
- refinancing agreement with Club Facility dated October 19, 2018, to allow the financing of the fleet in the United Kingdom.

7.4 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

To the Shareholders,

In our capacity as Statutory Auditors of your company, we hereby report on related party agreements and commitments.

We are required to inform you, based on the information we have been given, of the terms and conditions as well as the reasons justifying the benefits for the Company of those agreements and commitments that have been indicated to us, or that we may have discovered during our assignment. We are not required to comment on whether they are beneficial or appropriate or to ascertain if any other agreements and commitments exist. It is your responsibility, in accordance with the terms of Article R. 225-58 of the French Commercial Code, to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to inform you, in accordance with Article R. 225-58 of the French Commercial Code, of any agreements and commitments previously approved by the Shareholders' Meeting which were executed during the year.

We have performed the procedures that we deemed necessary to comply with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information we were given was consistent with the underlying documentation.

Agreements and commitments submitted for approval by the Shareholders' Meeting

Agreements and commitments authorized and concluded during the fiscal year under review

We hereby inform you that we have not been advised of any agreements authorized and concluded during the past fiscal year to be submitted for the approval of the Shareholders' Meeting pursuant to the provisions of Article L. 225-86 of the French Commercial Code

Agreement approved during the past fiscal year

Pursuant to Article R. 225-57 of the French Commercial Code, we have been informed of the implementation of the following agreement during the past fiscal year, which was already approved by the Shareholders' Meeting of April 26, 2019, on the basis of the Statutory Auditors' special report of March 25, 2019.

Consulting agreement concluded with Basin Street Partners LLC, of which Mr. Sanford Miller is a managing partner

- **Person concerned**: Mr. Sanford Miller, Member of the Supervisory Board.
- **Nature and purpose**: Exceptional compensation allocated by the Supervisory Board to Mr. Sanford Miller, member of the Supervisory Board, under a six-month advisory assignment concerning the Group's international development.
- **Conditions**: Gross monthly compensation of €4,000 over a six-month period. No sums were paid during fiscal year 2018. A gross amount of €24,000 was paid in fiscal year 2019, of which a gross amount of €8,000 for fiscal year 2018.
- **Benefit for the Company**: At its meeting of October 18, 2018, the Supervisory Board noted that this advisory assignment entrusted to Basin Street Partners LLC, of which Mr. Sanford Miller is managing partner, was, in view of his international expertise, in line with the Company's corporate interest and that the planned compensation of €24,000 for a six-month period was consistent with market practices.

Signed in Neuilly-sur-Seine and Paris-La Défense, March 27, 2020

The Statutory Auditors

Mazars	PricewaterhouseCoopers Audit
Isabelle Massa	Romain Dumont

7.5 STATUTORY AUDITORS' FEES

The fees of the Statutory Auditors are presented in Note 13 "Group auditors' fees" of the consolidated financial statements that are shown in Section 3.4 "Consolidated financial statements and Statutory Auditors' report for fiscal year ended Tuesday, December 31, 2019" of this Universal Registration Document.

7.6 PUBLICLY AVAILABLE DOCUMENTS

The by-laws, minutes of shareholders' meetings as well as other corporate documents of the Company, the reports of the shareholders' meetings as well as financial information and any expert valuation or statement requested by the Company and to be made available to shareholders in accordance with current regulations may be consulted at the Company's headquarters: Europcar Mobility Group, 13 ter boulevard Berthier, 75017 Paris, France.

Some of these documents are also available on the Europcar Mobility Group website (http://investors.europcar-group.com).

7.7 CONCORDANCE TABLES (EUROPEAN REGULATION NO. 2019/980, ANNUAL FINANCIAL REPORT, MANAGEMENT BOARD REPORT, CONCORDANCE TABLE FOR SOCIAL, SOCIETAL AND ENVIRONMENTAL DATA)

Concordance Table with the annual financial report

The concordance table below enables the identification in this Universal Registration Document of information contained in the annual financial report referred to in Article L. 451-1-2 of the French Monetary and Financial Code and in Article 222-3 of the General regulations of the French financial markets authority (AMF).

Subject		Chapters	Pages
1	**Statement of the natural persons who assume responsibility for the annual financial report**	7.1	408
2	**Management report**	7.7	414 and 415
3	**Financial statements and reports**		
3.1	Parent company financial statements	3.6	241
3.2	Statutory Auditors' report on the parent company financial statements	3.6	259
3.3	Consolidated financial statements	3.4	161
3.4	Statutory Auditors' report on the consolidated financial statements	3.4	235
4	**Other information**		
4.1	Declaration of the Statutory Auditors' fees	7.5	413
4.2	Supervisory Board report on Corporate governance	5.2.4	355
4.3	Statutory Auditors' report on the Supervisory Board report on Corporate Governance	3.6	260
4.4	Description of the share buy back program	6.3.8.1	394

Concordance table with the management report

The concordance table below enables the identification in this Universal Registration Document of information contained in the annual management report produced by the Company's Management Board as defined in Articles L. 225-100 et seq. of the French Commercial Code.

In order to reflect the impact of the COVID-19 pandemic, several items relating to the management report and included in this Universal Registration Document have been updated from the version of the management report approved by the Management Board and approved by the Supervisory Board on February 24, 2020. These items listed below were approved by the Supervisory Board on March 25, 2020 and May 4, 2020:

- Section 1.2.3 "Significant subsequent events";
- Section 1.4.2.2 "Financial targets";
- Chapter 2 introduction: "Global tourism and transport heavily impacted by the COVID-19 pandemic in 2020";
- Section 2.1 "Risks relating to the Group's industry and markets";
- Section 2.2 "Operational risks related to the business".
- Section 2.3 "Risks related to the operation and organization of the Group";
- Section 2. 4 "Financial risks";
- Section 2.5 "Regulatory and legal risks";
- Section 3.2.3.5 "Description of financing entered into after December 31, 2019";
- Section 3.8 "Group forecasts for the year ending December 31, 2020"; and
- Section 3.9.2 "Ambitions 2023, SHIFT 2023 plan".

Subject		Chapters	Pages
1	**Information on the Company's business**		
1.1	Overview of the business (including progress made and difficulties encountered) and the results of the Company, each subsidiary and the Group	1.6 and 1.8 3.1 to 3.6	51 and 79 118 to 262
1.2	Analysis of changes in the business, results, the financial position and in particular, the indebtedness of the Company and the Group	3.1 to 3.6	118 to 262
1.3	Foreseeable Company and/or Group trends	3.8	264
1.4	Key financial and non-financial indicators of the Company and/or the Group	1.1 and 3.1.2.1	28 and 124
1.5	Post-closing events of the Company and the Group	1.2.3 and 3.10	32 and 265
1.6	Guidance on the use of financial instruments including the financial risks and the price, credit, liquidity and cash risks of the Company and the Group	2.4	93
1.7	Principal risks and uncertainties of the Company and the Group	2.1 to 2.5	83 to 102
1.8	Research and development information of the Company and the Group	1.9	80
1.9	Principal characteristics of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information	2.6 to 2.8	102 to 111
1:10	Current branches	N/A	N/A
1:11 AM	Guidance on financial risks related to the effects of climate change and the presentation of the measures that the Company is taking to reduce them by implementing a low-carbon strategy	4.5	294
2	**Legal, financial and tax information of the Company**		
2.1	Breakdown and change in shareholders	6.4.1	397
2.2	Name of the controlled companies holding treasury shares of the Company and share of the equity capital they hold	N/A	N/A
2.3	Significant stakes acquired during the fiscal year in companies with their headquarters in France	1.7.2.2	77
2.4	Notice of holdings of more than 10% of the share capital of another company; disposition of cross-shareholdings	N/A	N/A
2.5	Purchases and sales by the Company of its own shares (share buy back)	6.3.8.2	395
2.6	Statement of employee shareholdings	6.5	401
2.7	Notice of potential adjustments: – for securities giving access to the share capital and stock options in the case of share buy-backs – for securities giving access to the share capital in the event of financial transactions.	6.3.5.1 6.3.5.2	391 393
2.8	Dividends paid out in the three preceding fiscal years	3.5.6	240

Information		Chapters	Pages
2.9	Non-tax-deductible expenses and charges	N/A	N/A
2.10	Terms of payment and breakdown of balance of trade payables and trade receivables by due date	Note 13 of parent company financial statements 3.7	251 263
2.11	Injunctions or fines for anti-competitive practices	2.9	111
3	**Information on corporate officers**		
3.1	In the case of stock option grants, presentation of the information used by the Management Board to decide: to either not allow executives to exercise their options before the end of their terms of office, or to require them to hold all or part of the shares arising from options already exercised in registered form until they cease to hold office (by specifying the portion thus fixed)	N/A	N/A
3.2	Summary statement of the transactions in Company securities by executives and related parties	5.4	378
3.3	In the case of free share grants, presentation of the information used by the Management Board to decide: to either not allow executives to sell the free shares granted to them before the end of their terms of office, or to fix the quantity of these shares that they must hold in registered form until the end of their employment (by specifying the portion thus fixed)	5.3.1.3	364
4	**The Company's CSR information**		
4.1	Acknowledging the social and environmental consequences of the business and the Company's social commitments to sustainable development, including the impact of its activity and the usage of goods and services that it produces on climate change, the circular economy, efforts to combat food waste and efforts to promote the fight against discrimination and to encourage diversity	4	266
4.2	Collective bargaining agreements entered into in the Company and their impact on its economic performance as well as on the working conditions for employees	4.4.3	286
5	**Other information**		
5.1	The amount of loans of at least a two year maturity granted by the Company, and ancillary to its main business, to micro-businesses, SMEs or to medium-sized businesses with which it has economic ties justifying the loan (1)	N/A	N/A
5.2	Information on payments made to authorities in each of the countries or areas in which the Company conducts the following activities: the exploration, prospecting, discovery, exploitation or extraction of hydrocarbons, coal and lignite, metal ores, stone, sand and clay, chemical minerals and fertilizers, peat, salt or other mineral resources in the exploitation of primary forests (2)	N/A	N/A
5.3	Table showing the results for the last five years	3.5.7	240
5.4	Supervisory Board report on Corporate governance	5.2.4	355

(1) Article L. 511-6, 3 bis of the French Monetary and Financial Code as amended by law No. 2015-992 of August 17, 2015.
(2) Article L. 225-102-3 of the French Commercial Code as amended by Ordinance No. 2015-1576 of December 3, 2015.

Concordance table with the Sections from Annexes 1 and 2 of the commission Delegated regulation (EU) 2019/980 of March 14, 2019 supplementing regulation (EU) 2017-1129

The concordance table below enables identification in this Universal Registration Document of the information discussed in the various Sections of Annex 1 of the commission Delegated regulation (EU) 2019/980.

Information		Chapters	Pages
1	**Persons responsible, third party information, expert's reports and competent authority approval**		
1.1	Persons responsible for the information included in the Universal Registration Document	7.1.1	408
1.2	Declaration by those responsible for the Universal Registration Document	7.1.2	408

Information		Chapters	Pages
1.3	Person acting as an expert	N/A	N/A
1.4	Confirmation for information sourced from a third party	N/A	N/A
1.5	Statement on the approval of the Universal Registration Document by the competent authority	-	1
2	**Statutory Auditors**		
2.1	Information related to the Statutory Auditors	7.1.4	408
2.2	Statutory Auditors that have resigned, been removed or have not having been reappointed during the period covered	N/A	N/A
3	**Risk factors**	2	81
4	**Information about the issuer**		
4.1	Legal and commercial name of the Company	6.1.1	380
4.2	The Company's place of registration, registration number, and legal entity identifier (LEI)	6.1.2	380
4.3	The Company's date of incorporation and length of life	6.1.3	380
4.4	The Company's domicile (country of incorporation, address and telephone number), legal form and the legislation under which it operates, and website	6.1.4	380
5	**Business overview**		
5.1	Principal activities	1.6, 1.7 and 1.8	51, 74 and 79
5.1.1	A description of the nature of the issuer's operations and its principal activities	1.4 and 1.6	39 and 51
5.1.2	Indication of any new products and/or services introduced	1.6 and 1.7	51 and 74
5.2	Principal markets in which the Company competes	1.3	34
5.3	Important events in the development of the Company's business	N/A	N/A
5.4	Strategy and objectives	1.4	39
5.5	The extent to which the Company is dependent on patents or licenses, industrial, commercial or financial contracts, or new manufacturing processes	1.9	80
5.6	The basis for any statements made by the Company regarding its competitive position	1.5	45
5.7	Investments	3.3	159
5.7.1	Description of the Company's material investments	3.3.1	159
5.7.2	Description of any material investments of the Company that are in progress, including the geographic distribution	3.3.2	159
5.7.3	Information relating to the joint ventures and undertakings in which the Company holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses	1.7.2	76
5.7.4	Any environmental issues that may affect the Company's utilisation of the tangible fixed assets	4.5	294
6	**Organizational structure**		
6.1	Description of the Group	1.7	74
6.2	List of significant subsidiaries	1.7.2.1	76
7	**Operating and financial review**		
7.1	Financial condition	3.1 to 3.6	118 to 262
7.1.1	Fair review of the development and performance of the Company's business, and of its position for each year and interim period for which historical financial information is required	3.1 to 3.6	118 to 262
7.1.2	The Company's likely future development and activities in the field of research and development	1.8	79
7.2	Operating results	3.1.2.2 and 3.5.2	125 and 239
7.2.1	Events materially affecting the issuer's income from operations	3.1 to 3.6	118 to 262
7.2.2	Narrative discussion of the reasons for material changes in net sales or revenues	3.1 to 3.6	118 to 262

Information		Chapters	Pages
8	**Capital resources**		
8.1	Information about the Company's capital resources	3.2	131
8.2	Sources and amounts and a narrative description of the issuer's cash flows	3.2.2	134
8.3	Information on the borrowing requirements and funding structure of the issuer	3.2.3	138
8.4	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect the issuer's operations	N/A	N/A
8.5	Anticipated sources of funds needed to fulfill the Company's commitments	3.2	131
9	**Regulatory environment**	2.5.1	98
10	**Trend information**		
10.1	Main trends affecting production, sales and inventories, costs and sale prices since the end of the last fiscal year and any significant changes in financial performance since the end of the last fiscal year	1.3 1.5 3.8	34 45 264
10.2	Known trends, uncertainties or demands, commitments or events reasonably likely to have a material effect on the issuer's prospects for at least the current fiscal year	3.8 3.9	264 265
11	**Profit forecasts or estimates**	N/A	N/A
12	**Administrative, management and supervisory bodies and senior management**		
12.1	Information on the members of the administrative or management bodies of the Company	5.1	322
12.2	Administrative, management and supervisory bodies and senior management conflicts of interest	5.1.3.3	338
13	**Remuneration and benefits**		
13.1	Amount of remuneration paid and benefits in kind	5.3	357
13.2	Total amounts set aside or accrued by the issuer or its subsidiaries to provide for pension, retirement or similar benefits	N/A	N/A
14	**Board practices**		
14.1	Date of expiration of the current terms of office	5.1.1	322
14.2	Information about members of the administrative and management bodies' service contracts	5.1.3.3	338
14.3	Information on the Audit Committee and remuneration Committee	5.2.3	349
14.4	Statement of compliance with the corporate governance regime	5.1.4	344
14.5	Potential material impacts on the corporate governance, including future changes in the Board and committees composition	N/A	N/A
15	**Employees**		
15.1	Number of employees	4.4	285
15.2	Shareholdings and stock options	5.3.1.3 and 5.3.1.4	364 and 367
15.3	Arrangements for involving the employees in the capital of the issuer	6.5	401
16	**Major shareholders**		
16.1	Shareholders holding more than 5% of the share capital	6.4.1 and 6.4.2	397 and 398
16.2	Existence of different voting rights	6.4.3	399
16.3	Ownership or control of the issuer	6.4.4	399
16.4	Arrangement whose operation could lead to a change in control	6.4.6	400
17	**Related party transactions**	7.2 and 7.4	409 and 412
18	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**		
18.1	Historical financial information	General comments and 3	1 and 117

The concordance table below enables identification in this Universal Registration Document of the information discussed in the various Sections of Annex 2 of the commission Delegated regulation (EU) 2019/980.

7.8 GLOSSARY

7.8.1 Operational glossary

Stations

Locations where the Group offers its rental services. These may take the form of station counters at certain locations such as airports.

Air Force 1

Project to improve customer service, set up by Europcar in the 20 main European airports representing 16% of the Group's rentals.

Car-sharing service

Car-sharing services restricted to subscribing members. The marketplace matches available cars to potential drivers. The car-sharing market can be divided into three segments: (i) car-sharing operators that offer urban users the virtual ownership of the vehicles, (ii) players that offer professional management and fleet optimization services and (iii) vehicle sharing platforms that put individuals in contact in order to share a vehicle.

Business Unit

Operating divisions covering the market segments in which the Group is located.

Business customers

Refers principally to "Large Corporates", small and medium-sized businesses and organizations that rent replacement vehicles.

Leisure customers

Refers principally to individual travelers renting vacation or weekend car rentals, as well as people renting vehicles to meet other personal needs, as well as travel agents, tour operators or brokers.

Auto dealer

Companies that sells new or used vehicles at the retail level, based on a dealership contract with car manufacturers or their sales subsidiaries.

Concessionary arrangement

Arrangement whereby a local authority, corporation or other legal entity grants the Group the right to use land or property.

Broker

Intermediaries acting on the leisure segment and selling vehicle rental services to end customers on behalf of the Group.

Average rental duration (days)

The average rental duration corresponds to the number of rental days divided by the number of rental agreements.

E-commerce

The sale or purchase of goods or services performed by means of a remote communications network.

Buy-back commitment

Undertaking from car manufacturers or auto dealers to repurchase vehicles at a pre-determined fixed price subject to certain terms and conditions.

Europrogramme

A corporate insurance program allowing each subsidiary operating in each country participating in the program to benefit from motor vehicle liability insurance from its local AIG Europcar Ltd branch, established in the country in which the subsidiary operates.

Customer experience

Expression that summarizes the Group's ambitions in terms of improved customer satisfaction.

Corporate countries

Countries in which the Group owns and operates its own network, where directly operated stations and agent-operated stations are located (Australia, Austria, Belgium, Denmark, Germany, Slovakia, Spain, France, Hungary, Ireland, Italy, Luxembourg, Portugal, the United Kingdom and New Zealand, as well as Croatia, Greece and Turkey which are Goldcar Corporate Countries).

Fleet

All vehicles operated by the car rental company, whether or not available for rent.

Average rental fleet

The average rental fleet corresponds to the number of vehicles in the fleet during the period, multiplied by the number of days in the period when the fleet is in operation, divided by the total number of days during the period.

Franchise/Franchising

Agreement where the franchiser grants the franchisee the right to use its trademark or trade-name as well as certain know-how in order to produce and market goods or services according to certain specifications. In return, the franchisee usually pays the franchiser an entry fee and, each year, a percentage of sales revenues as royalty.

Customer Relationship Management (CRM)

System for managing the Group's interactions with current and future customers.

Net Promoter Score (NPS)

The Net Promoter Score corresponds to the difference between the "promoters" and the "detractors" of the Europcar brand. It is obtained by adding together the people who have answered 9 or 10/10 to the question "Would you recommend Europcar to your friends or family?" minus the number of people who answered 6 or less.

Number of rental agreements

The number of rental agreements is the number of vehicle rentals billed to a customer.

Rental day volume (in millions)

Rental day volume corresponds to the rental day volume realized by the customers, including each day or period of shorter than a day for which a rental vehicle is invoiced to a client.

Holding period

The period for which a vehicle is owned or leased by the Group (i.e., from the date of acquisition or start date of a lease of a vehicle by the Group to its sale or return date).

Esop 2017 Plan

Employee shareholding plan set up in 2017 in each of the Corporate Countries.

Replacement vehicle

Service offered by the Group to insurance companies, vehicle leasing companies, vehicle dealers and other entities offering vehicle replacement services to their own customers.

General sales agent (GSA)

General sales representative who promotes and sells the services offered by Europcar in a specific country or region in consideration of a commission.

Europcar network

All of the Group's rental stations worldwide held directly or through its franchisees or agents.

Goldfleet companies

Companies formed in 2018 as part of the extension of the Group's securitization program, to purchase and own vehicles, lease them to the local operating companies of the Group in France, Germany, Italy and Spain.

Securitifleet companies

Companies formed as part of the Group's securitization program, to purchase and own vehicles, lease them to the local operating companies of the Group in France, Germany, Italy and Spain.

Système GreenWay®

Software application, owned by Europcar, offering a comprehensive business solution mainly in the areas of fleet management, e-commerce, reservations and global distribution systems and rental operations.

Global distribution system (GDS)

Computerized reservation systems operated by third parties and used by intermediaries such as travel agents and travel/tour operators to make reservations with the Europcar network.

RentWay system®

Overall vehicle rental and fleet management system for the InterRent® trademark.

Fleet utilization rate

The fleet financial utilization rate corresponds to the Number of Rental Days as a percentage of the number of days the fleet is considered financially available. The fleet's financial availability period represents the period during which the vehicles are in operation. The higher the fleet utilization rate, the fewer vehicles are necessary in the fleet to generate a given volume of rental days.

"At risk" vehicles

Vehicles purchased by the Group from car manufacturers or car dealers not benefiting from a buy-back option or agreement.

Vehicle operating lease

Agreement by which a vehicle is leased by a car rental company on a short-term basis, which pays rent periodically to a financial institution or the finance division of a car manufacturer; at the end of the operating lease, ownership does not pass to the car rental company.

For instance, in the context of the implementation of the Group's securitization program, the Securitifleet Companies, whose purpose is to purchase and own vehicles, lease said vehicles to the operating companies of the Group pursuant to master operating lease agreements.

Vehicle finance lease

Agreement by which a vehicle, held by a credit institution, is leased for a long period of time to a car rental company which in turn pays for the lease on a periodic basis and has the option to acquire ownership of such vehicle during or at the end of the rental period.

During the term of the lease, the finance company remains the legal owner of the vehicle; however the rental company retains the benefits and risks of (economic) ownership.

7.8.2 Financial glossary

Revenue per rental day – RPD (in euros)

Revenue per rental day (RPD) corresponds to vehicle rental income divided by the Number of Rental Days for the period.

Adjusted Corporate EBITDA

Adjusted corporate EBITDA is a Group performance indicator. It is equal to the recurring operating income before depreciation and amortization not connected with the vehicle fleet and after deduction of the interest expense connected with the debt serving fleet financing.

Average monthly costs per fleet unit (per month and in euros)

Average monthly costs per fleet unit corresponds to the total fleet costs (fleet holding costs and fleet operating cost) excluding interest expense included in fleet operating lease rents and insurance fees, divided by the average fleet of the period, itself divided by the number of months in the period.

Organic growth in revenue

Organic growth in revenue corresponds to growth at constant consolidation and exchange rate and excludes the impact of oil-related revenue.

Net corporate debt

Net corporate debt includes all the financings recorded on the balance sheet dedicated to the financing of non-fleet purposes (mainly non-fleet working capital and capex). This cumulated amount is adjusted by the equity amount injected by the Group in the financing of the fleet, by using its available cash and general corporate purpose financings (in particular the RCF).

Net fleet debt

Net fleet debt includes all the financings related to the fleet recorded on the balance sheet. It corresponds to the total outstanding amounts owed by all the Group entities on their fleet financing facilities recorded on the balance sheet, adjusted by the equity amount injected by the Group in the financing of the fleet, by using its available cash and general corporate purpose financings (in particular the RCF).

Total net fleet debt

Total net fleet debt includes all financing in relation to the fleet whether or not it is recorded in the balance sheet. It corresponds to the net fleet debt and the estimated outstanding value of the fleet financed through operating leases (which corresponds to the net book value of the vehicles in question). The latter amount is calculated based on the purchase prices and depreciation rates of corresponding vehicles (based on contracts signed with the manufacturers).

Total net debt

Total net debt is an indicator of corporate net debt related to the fleet, whether on the statement of financial position or not. It corresponds to the sum of net corporate debt and total net fleet debt.

Adjusted Consolidated EBITDA

Adjusted consolidated EBITDA is a Group performance indicator. It corresponds to the adjusted corporate EBITDA restated for the total fleet depreciation (including fleet depreciation included in operating leases) and for the fleet financial costs (including estimated interest included in operating leases).

Corporate free cash flow

Corporate free cash flow is defined as free cash flow before the impacts of the rental fleet and acquisitions of subsidiaries.

Cash flow after payment of high-yield interest

Cash flow after payment of high yield interest corresponds to corporate free cash flow after payment of interest on high yield borrowings.

Corporate debt leverage

Corporate debt leverage corresponds to corporate net debt divided by adjusted corporate EBITDA.

Adjusted corporate EBITDA margin

The adjusted corporate EBITDA margin is an indicator of Group profitability. It corresponds to the adjusted corporate EBITDA divided by total revenue.

Vehicle rental income

Revenue from the vehicle rental business is one of the components of Group revenue. It corresponds to total revenue excluding franchising business and other revenue associated with car rental (including oil-related revenue).

Dividend payout ratio

The dividend payout ratio corresponds to the total amount of dividends for the year ended divided by the annual net profit for the same year.

Operating income

Operating income is a Group performance indicator. It corresponds to the net income/(loss) before net financing costs, income tax and share of profit/(loss) of associates accounted for under the equity method.

Adjusted recurring operating income

Adjusted recurring operating income is a Group performance indicator. It corresponds to the recurring operating income restated for the estimated interest included in operating lease rents.

Conversion rate for corporate free cash flow

The conversion rate for corporate free cash flow corresponds to corporate free cash flow divided by adjusted corporate EBITDA (excluding the New Mobility Business Unit).

Total Shareholder Return (TSR)

Total Shareholder Return is an overall performance measure for the Europcar share. It corresponds to the global rate of return of the stock for the investors over the holding period and combines dividends received and stock price.

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