MANAGEMENT REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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Dear Shareholders,

We have called this meeting in accordance with both the law and the provisions of the articles of association of Europcar Mobility Group (the "**Company**"), to ask you to approve the financial statements for the year ended December 31, 2022.

The requisite notifications were duly sent to you and all the documents required by the regulations in force have been made available to you within the legally required timescale.

The financial statements for the year ended December 31, 2022 have been prepared in accordance with generally accepted accounting principles. The presentation of the financial statements and the valuation methods used are identical to those of the previous year.

1. SITUATION AND ACTIVITY OF THE COMPANY

1.1. Description of the Company's business activities

Europcar was founded in 1949, as L'abonnement automobile, the predecessor of Compagnie Internationale Europcars, Europcar and now Europcar Mobility Group.

Since our beginnings, shared mobility has been at the core of our DNA.

The Group offers a wide range of car and van rental services: be it for a few hours, a few days, a week, a month or more, on-demand or on subscription, for businesses and individuals, relying on a fleet equipped with the latest engines including increasing levels of electric and hybrid vehicles.

We operate three main distinctive brands, responding to differentiated needs, use cases and expectations in terms of level of service:

- Europcar® - A European leader of car rental and light commercial vehicle rental (traditional and upscale market)
- Goldcar® - A low cost leader in Europe
- Fox® a dynamic low cost offer in the United States.

The Group also operates an emerging subscription platform for vehicle use, under the "*MyEuropcar*" brand, and Ubeeqo®, an emerging player in European roundtrip car-sharing.

The Group employs more than 8,000 employees, around the world, with a strong network in 140 countries, including owned subsidiaries in 16 countries, as well as franchise partners and agents.

Our purpose is to offer attractive alternatives to vehicle ownership in a responsible and sustainable way.

Our vision is to become a leader in dedicated, sustainable mobility services, where our brands, scale and people can make a difference.

Our strategy is based on using data, technology and people to deliver an improved customer experience, build a platform for the future of new mobility and to make the business itself more sustainable.

This strategy is underpinned by a number of key principles:

- Flexible: bringing flexibility to our customer and business client's fleets, businesses and travel modes, with flexible subscription formulas, flexible terms and conditions;
- Sustainable: making rental/sharing as or more attractive than ownership, offering more and more sustainable vehicles (including the use of appropriate vehicles for task, greater use of electric and plug-in hybrid vehicles in our fleet;
- Digital: enabling contactless and hassle-free customer journeys, from booking to pick-up;
- Connected: permissible direct access to vehicles' data allowing operational excellence and enhanced customer experience.

We offer our customers a core vehicle for a duration from days to years, on a variety of payment terms, together with ancillary services such as additional equipment or damage protection products, and fleet arrangements.

We serve our customers through various distribution channels.

Customers may book rental vehicles worldwide through the Group's websites and using its apps or mobile phones and tablets. Additionally, customers may make reservations for rentals worldwide via local, national or toll-free telephone calls handled by call centers; directly through stations; or, in the case of replacement vehicle rentals, through a dedicated proprietary system serving the insurance industry. 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.

Our Fleet is sourced through varying models. We operate vehicles that we principally buy and then hold for resale (at-risk), on leases ("lease") from third parties, or on contracts with a guaranteed resale value ("buyback"). This allows the group to optimize the level of vehicle supply, cost of financing and risk according to market situations.

We are committed to making our business more sustainable, with plans to reduce the overall emission level of the fleet including the expansion of electric, hybrid and other alternative vehicles. The Group continues to seek to demonstrate clear reporting of its environmental impact.

We support our carbon reduction efforts with effective reporting. Our ESG ratings position us as a leader in reporting, the Group has achieved several key milestones in 2022:

- Approval of its 2030 carbon reduction objectives by SBTi (Science Based Targets initiative),
- EcoVadis Platinum medal (Top 1%),
- AAA rating (Leader) by MSCI Inc.,
- 12.0 rating (low risk, #4 out of 389 transportation companies), by Sustainalytics.

1.2. Highlights of the year and significant events since the end of the fiscal year

1.2.1. Highlights of the year

- **Acquisition of the Group by Green Mobility Holding SA**

Volkswagen Group, Attestor Capital LLP and Pon Holdings BV – as a Consortium – and Europcar Mobility Group entered into an agreement on July 28, 2021, to support a tender offer for the acquisition of Europcar Mobility Group by the Consortium through a dedicated company "Green Mobility Holding SA".

This acquisition was envisaged with a public tender offer in cash at €0.50 per share, increased by an additional price of €0.01 per share for achieving the squeeze-out (90%) at the end of the offer (dividend included). This acquisition was based on a strong strategic rationale: Volkswagen, as a long-standing business partner and former shareholder of the Group, with the support of the asset manager Attestor Limited and the Dutch mobility services provider Pon Holdings BV, intends to continue the transformation of Europcar Mobility Group to broaden its mobility solutions offering by leveraging its physical and digital platforms.

This will make it possible to meet customer expectations in a rapidly changing market, with a growing appetite for innovative, "on-demand" mobility solutions such as subscription and sharing models.

In its reasoned opinion on the Offer dated September 17, 2021, the Board of Directors recognized the strategic interest of the transaction and unanimously determined that the Offer is in the best interest of the Company, its shareholders, employees and other stakeholders.

On September 20, 2021, Green Mobility Holding SA filed its proposed public tender offer for Europcar Mobility Group shares. The Offer was declared compliant by the "Autorité des marchés financiers" (AMF) on November 23, 2021. The AMF has announced that the Offer has been open since November 26, 2021.From this date, shareholders may tender their shares to the Offer for at least 25 trading days, i.e. until at least December 30, 2021 (at the earliest, given the time required to obtain merger control clearances). The Company and its Board of Directors have decided to exercise the Company's option to extend the deadline until June 30, 2022 under the tender offer support agreement concluded between the Company and Green Mobility Holding and the members of the consortium (Volkswagen, Attestor and Pon). On April 19, 2022, Green Mobility Holding filed for EU antitrust clearance to acquire Europcar Mobility Group.

On May 25, 2022, the European Commission approved the acquisition of Europcar Mobility Group by Green Mobility Holding. The AMF set June 10, 2022 as the closing date for Green Mobility Holding's public tender offer for Europcar Mobility Group.

At the end of the initial offer period on June 10, 2022, a total of 4,382,557,662 Europcar Mobility Group shares, representing 87.38% of the share capital and at least 87.36% of the voting rights of the company, were tendered. Minority shareholders of Europcar Mobility Group who had not yet tendered their shares to the offer had the possibility to do so for ten additional days during an additional offer period in accordance with article 232-4 of the general regulations of the AMF. As communicated by the AMF, the tender offer was reopened from June 16 to June 29, 2022 (inclusive).

At the end of this period, the consortium then held 93.62% of the capital and at least 93.60% of the voting rights.

The squeeze-out and delisting took place on July 13, 2022.

● Market conditions and trading of the year 2022

In € millions, unless stated otherwise	2022	2021	Change
Revenues	**3 083.8**	**2 272.2**	**35.7%**
Vehicle rental revenue	**2 957.6**	**2 184.3**	**35.4%**
Rental days volume (in thousands)	69.1	63.1	9.7%
Average rental duration (in days)	7.9	8.2	(3.4%)
Average fleet size (in thousands) (1)	255.9	231.9	10.3%
Average revenue per unit per month (in €) (2)	963.3	784.8	22.7%
Average fleet costs per unit per month (in €) (3)	-286	-248	15.5%
Fleet utilization rate (in %) (4)	74.0%	74.5%	*(0.4)pt*
Margin after Direct costs	**1 244.2**	**854.1**	**45.7%**
In % of revenue	*40.3%*	*37.6%*	*+2.8pt*
Adjusted Corporate EBITDA (IFRS 16)	**546.1**	**283.6**	**92.6%**
In % of revenue	*17.7%*	*12.5%*	*+5.2pt*

(1) Average fleet during the period is calculated as the number of days in the period during which the fleet was available (period during which the Group held the vehicles), divided by the number of days of the same period, multiplied by the number of vehicles in the fleet during the period. The average monthly fleet comprised 255.9 thousand vehicles as of December 31, 2022, compared with 231.9 thousand as of December 31, 2021.
(2) Average revenue per unit per month corresponds to the vehicle rental revenue, divided by the average fleet for the period; the average fleet for the period itself is divided by the number of months for the period.
(3) Average fleet costs per unit per month corresponds to the total fleet costs (fleet holdings and operating costs), excluding interest expense included in the expenses for the fleet vehicle operating leases and insurance costs, divided by the average fleet for the period. The average fleet for the period itself is then divided by the number of months during the period.
(4) The fleet utilization rate corresponds to the rental days volume 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 Group holds the vehicles.
(5) Margin after direct costs (MADC) corresponds to the total revenue less total fleet costs (fleet holdings and operating costs), variable costs (, sales and marketing expenses and fleet financing costs

During the year, the position in the industry changed considerably from 2021. Generally strong demand was seen in leisure driven countries particularly in Q2 in the South of Europe and in the USA and in Q3, more widely. Business to business ("B2B") demand also improved, notably in the UK and the Nordics countries.

While demand was high, the relative shortages in supply of vehicles led to both localized supply shortages and higher fleet costs. The Group deployed alternative solutions in terms of fleet management, including a diversification of sourcing channels, as well as using longer holding periods and more at risk arrangements. This resulted in an utilisation rate of the fleet at similar levels to before the Covid crisis.

The demand, supply and fleet trends all contributed to stronger realized pricing levels.

1.2.2. Significant events since the end of the fiscal year

- **Credit rating**

On 31 January 2023, S&P upgraded the Group's rating to 'B+'.
On 3 February 2023, Moody's confirmed the B3 rating and raised the outlook from stable to positive.

- **Europcar Mobility Group Integrates CDP's "Climate A List", Thus Consolidating Its Industry Leadership in Terms of ESG Ratings**

On February 16th, Europcar Mobility Group received a Trophy at the CDP Europe Awards, having joined the CDP's 2022 A List as a global leader in environmental transparency and action, alongside with ~330 peers out of more than 15,000 companies.
This recognition by CDP, which runs the global disclosure system for investors, companies, cities, states and regions and is seen as the "gold standard of environmental reporting", acknowledges Europcar Mobility Group's long-lasting commitment to continuously improve and raise the bar in terms of CSR policies and practices.

1.3. Research and development

The Group does not, strictly speaking, pursue any business that can be qualified as research and development. However, it is constantly looking for innovative solutions to accelerate its transformation, both in its technology and business.

1.4. Our organization : Subsidiaries

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. (ECI) 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.

1.4.1. Situation and activity of subsidiaries and controlled companies

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. 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.U.** 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.U. Europcar Holding S.A.S.U. directly or indirectly holds some of the Group's subsidiaries and centralizes the Group's finances;

- **Europcar France S.A.S.U**. 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 303 656 847. The Company indirectly holds 100% of the share capital and voting rights of Europcar France S.A.S.U. Europcar France S.A.S.U's principal business is short-term vehicle rental in France;

- **Europcar Participations S.A.S.U** 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 814 422 200. The Company indirectly holds 100% of the share capital and voting rights of Europcar Participations S.A.S.U. Europcar Participations S.A.S.U. has a holding company activity in France;

- **Europcar International S.A.S.U. & Co. OHG** is a German partnership, the registered office of which is located at Anckelmannsplatz 1, 20537 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 Holding S.A.S.U. & Co. OHG. Europcar International S.A.S.U. & Co. OHG is the Group's holding company in Germany;

- **EMobG Services Germany GmbH**, formerly known as Buchbinder Holding GmbH, is a German limited liability company, the registered office of which is located at Anckelmannsplatz 1, 20537 Hamburg, Germany, and registered with the Hamburg Trade Register under number HRB 168009. The Company indirectly holds 100% of the share capital and voting rights of EmobG Services Germany GmbH. EMobG Services Germany GmbH's principal business is vehicle rental in Germany under the Europcar and Buchbinder brands;

- **Europcar UK Limited** is an English limited liability company, the registered office of which is located at 1 Great Central Square, Leicester LE1 4JS, United Kingdom, and registered with the Registrar of Companies of England and Wales under number 00875561. 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 1 Great Central Square, Leicester LE1 4JS, United Kingdom, and registered with the Registrar of Companies of England and Wales under number 01089053. 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 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 00836310151. 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 limited liability 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 page M-98101 Volume 5999 Sheet 24. 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 limited liability 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;

- **LC EC Participations Investments S.L.U.** is a limited liability company under Spanish law, the registered office of which is located at Avda. Partenon, 16-18, B87929428, Spain and registered in the Madrid Trade and Companies Register under number M-655718 Volume 36504 Sheet 71. 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. has a holding company activity in Spain;

- **Europcar Australia Pty Ltd**. is a limited liability company under Australian law, the registered office of which is located at 189 South Centre Road, Tullamarine, Victoria, 3043, Australia, and registered in the Australian Trade and Companies Register under number ACN 130 760 566 and ABN 17 130 760 566. 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;

- **Fox Rent A Car** is a company under California law,the registered office of which is located at 4135 South 10th East Avenue, suite 200, Tulsa, OK 74146, United States, and registered with the California Secretary of State under entity number C1878835. The Company indirectly holds 100% of the share capital and voting rights of Fox Rent A Car. Fox Rent A Car's principal business is vehicle rental in the United States.

It should be noted that a number of internal restructuring activities took place within the Group during the fiscal year ended December 31, 2022, aimed at reducing the legal organizational structure and, as a result, operating costs. This restructuring mainly resulted in mergers by absorption of a number of subsidiaries. For example, the Europcar Autovermietung GmbH and Charterline Fuhrpark Service GmbH subsidiaries, German companies of which the Company indirectly held 100% of the share capital and voting rights, were thus absorbed by the aforementioned company, EMobG Services Germany GmbH.

1.4.2. Significant holdings acquired or takeovers of companies

During the year ended December 31, 2022, the Company did not acquire any significant holdings or takeover any company.

1.4.3. Disposal of subsidiaries or holdings

During the year ended December 31, 2022, the Company did not dispose, except the two companies mentioned below, of any subsidiaries or significant holdings or the control of any company. In 2022, the Group sold its entities in Greece and Turkey.

1.4.4. Group Entities dedicated to financing

- **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.

- **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 entities, 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 EU securitization structure and having as its sole purpose the acquisition and ownership of vehicles to be leased to Europcar France S.A.S.U.;
- **Goldfleet France 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 839 096 997. Goldfleet France S.A.S.U. is an autonomous special purpose company set up in connection with the Group's EU 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 EU 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 07169881005. Securitifleet S.p.A is an autonomous special purpose company set up in connection with the Group's EU 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.U., 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 Avda Partenon 16-18, Madrid 28042, 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 EU 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 Anckelmannsplatz 1, 20537 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 EU securitization structure and

having as its sole purpose the acquisition and ownership of vehicles to be leased to EMobG Services Germany GmbH; and

- **Securitifleet S.L.** is a Spanish limited liability company, the registered office of which is located at C/Trespaderne, 19, Madrid, 28042, Spain, registered with the Madrid Trade Register, Page M (310150), Book 17.955, sheet 92, and holding Tax Identification Code B83382549. Securitifleet S.L. is an autonomous special purpose company set up in connection with the Group's EU securitization structure and having as its sole purpose the acquisition and ownership of vehicles to be leased to Europcar IB S.A.

Securitifleet UK Limited and **Europcar Securitifleet UK Issuer PLC**, both formed in connection with the UK securitisation, are held on trust by CSC Corporate Services (UK) Limited, a company incorporated in England and Wales (registered no. 10831084), whose registered office is at 5 Churchill Place, 10th Floor, London E14 5HU, United Kingdom, itself controlled by CSC CAPITAL MARKETS UK LIMITED, a private limited company incorporated in England and Wales under company number 10780001 with its registered office at 10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU, an autonomous special purpose vehicle governed by English law:

- **Securitifleet UK Limited**, a England and Wales limited liability company, the registered office of which is located at 10th Floor 5 Churchill Place, London, United Kingdom, E14 5HU and having the company number 13873999, set up in connection with the Group's UK securitization structure and having as its sole purpose the acquisition and ownership of vehicles to be leased to Europcar Group UK Limited by way of master hire purchase agreement
- **Europcar Securitifleet UK Issuer PLC**, a England and Wales public limited company incorporated in England and Wales under company number 13874783 with its registered office at 10th Floor, 5 Churchill Place, London, United Kingdom, E14 5HU, set up et up in connection with the Group's UK securitization structure and having as its sole purpose to issue the £450,000,000 Senior Notes and £150,000,000 Junior Notes and to finance Securitifleet UK Limited by entering into a loan agreement as lender with Securitifleet UK Limited (as borrower)

EMGFX Vehicle Financing LLC and **EMGFX LLC**, both formed in connection with the US securitisation, are held by Fox Rent A Car, Inc:

- **EMGFX Vehicle Financing LLC**, a special purpose limited liability company established under the laws of Delaware USA with its registered office at 4135 S 100th E Ave, Tulsa, OK 74146, USA with registration number: Delaware 6087901 and having as its purpose (i) the issuance of the $225mm USD Class A Notes and (ii) the acquisition and ownership of vehicles to be leased to Fox Rent A Car, Inc. by way of the master motor vehicle operating and servicing agreement
- **EMGFX LLC**, a special purpose limited company established under the laws of Delaware, USA with its registered office at 4135 S 100th E Ave, Tulsa, OK 74146, USA with registration number: Delaware 6087907 and having as its sole purpose to act as Fox Rent A Car, Inc. nominee titleholder with respect to vehicles financed via US securitisation.

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

2. PRESENTATION OF THE COMPANY'S FINANCIAL STATEMENTS

2.1. Key financial indicators

2.1.1. Individual financial statements

The Company's individual financial statements and the statutory auditors' report relating thereto are presented in Appendix 1.

- **Revenue**
  Revenue for fiscal year 2022 amounts to €13.9 million versus €11.3 million for fiscal year 2021, up by 23.6 % compared to 2021.

- **Operating result**
  Operating result for fiscal year 2022 amounted to a loss of €31.3 million compared with a loss of €25.5 million for the previous year, an increase of 22.6%.

- **Net financial result**
  Net financial result for fiscal year 2022 (including financial charges related to the fleet and movements in provision for impairment of financial assets) was €147.1 million versus a net expense of €12.8 million in 2021.

- **Income tax**
  Income tax represented a €1.2 million credit versus a credit of €0.7 million in 2021.

- **Net profit or Loss**
  The Company's individual financial statements for the fiscal year 2022 show a gain of €117.7 million versus a net loss of €37.5 million for the fiscal year 2021.

2.1.2. Consolidated financial statements

The Consolidated financial statements of the Company and the statutory auditors' report relating thereto are presented in Appendix 2.

- **Revenue**

  Revenue for fiscal year 2022 amounts to €3,084 million versus €2,272 million in 2021.

- **Fleet holding costs**

  Fleet holding costs amount to €712 million versus €561 million in 2021.

- **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. Fleet operating, rental and revenue related costs amount to €994 million versus €757 million in 2021.

- **Personnel costs**

  Personnel costs which include both headquarters and network costs amount to €493 million versus €414 million in 2021.

- **Overhead costs**

  Overhead costs which include both headquarters and network costs amount to €231 million versus €188 million in 2021.

- **Impairment of non-current assets**

  In 2022, impairment of non-current assets amount to €97 million versus €0 million in 2021.

- **Other non-recurring income and expenses**

  In 2022, other non-recurring income and expenses amount to a net expense of €71 million versus €69 million in 2021 and primarily include :
  - Costs associated with the takeover by Green Mobility Holding
  - Reorganization and transformation costs
  - Disputes relating to tax audits and litigation

- **Operating income**

  Operating income amounts to €313 million, compared to €156 million in 2021.

- **Net financial results**

  Net financial results (including financial charges related to the fleet) amount to a net expense of €185 million versus €134 million in 2021.

- **Income tax**

  Income tax amounts to a charge of €73 million versus a net credit of €8 million in 2021 reflecting increased taxable profits and some prior year adjustments in losses available to be used against future profits.

- **Net profit or Loss**

  The Company's consolidated financial statements for the fiscal year 2022 are showing a consolidated net profit of €55 million versus a net profit of €29 million in 2021.

2.2. Shareholders' equity – decision to be taken pursuant to the provisions of article L.225-248 of the French Commercial Code

Non applicable

2.3. Proposed allocations of net income

The Company's individual financial statements for the fiscal year 2022, show a net profit of €117.7 million versus a net loss of €37.5 million for the fiscal year 2021. It is proposed to allocate this loss to "retained earnings" which would then be increased to € (129) million. Total equity is over €2bn due to a share premium account mostly resulting from the debt conversion accounted for in 2021.

2.4. Table of results for the last five fiscal years of Europcar Mobility Group S.A. (all financial results all quoted in €)

	Year ended 12/31/2018	Year ended 12/31/2019	Year ended 12/31/2020	Year ended 12/31/2021	**Year ended 12/31/2022**
Duration of the fiscal year, months	12	12	12	**12**	**12**
Share capital at the end of the fiscal year					
Share capital (at the end of the fiscal year)	161,030,883	163,884 279	163,884 279	50,156,401	50,156,401
Number of ordinary shares	161,030,883	163,884 279	163,884 279	5,015,640,081	5,015,640,081
Operations and results					
Revenue excluding taxes	6,388 261	11,682 568	6,510 298	7,166,490	11,288,450
Profit/(loss) before tax, investment, amortization, depreciation and provisions,	31,243 366	21,945 796	(63,697,925)	(27,813,061)	(12,947,655)
Income taxes	30,775 992	21,279 255	6,590 689	739,753	1,218,290
Net profit (Gain)	48,146 509	11,207 882	(225,746,832)	(37,487,396)	117,661,989
Net profit/(loss) distributed	0	0	0	0	0
Profit / (Loss) per share					
Profit/(loss) after tax, investment and before amortization, depreciation and provisions	(0.16)	0.39	(0.39)	(0.006)	(0.003)
Net profit (loss)	(0.18)	0.30	(1.37)	(0.007)	0.024
Dividend distributed	0	0	0	0	0
Personnel					
Average workforce	12	14	11	7.5	7
Payroll	3,652,338	5,314,142	4,491 143	6,259,409	10,448,415
Amounts paid in benefits (social security, other staff benefits, etc.)	976,988	2,867 807	1,752 145	2,911,143	3,044,258

2.5. Dividend Distribution over the last three fiscal years

We would like to remind you that for the last three fiscal years, dividends have been distributed as follows.

	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2020	Fiscal year ended December 31, 2019
Total amount of ordinary dividend	0	0	0
Total of extraordinary dividend	0	0	0
Total amount of distribution by deduction from share, merger and contribution premium	0	0	0

In accordance with some of the financing agreements, Europcar Mobility Group S.A. was not allowed to pay dividends for the fiscal years ended December 31, 2019 and December 31, 2020. For the fiscal years starting on or after December 31, 2021, the payment of dividend depends on its debt to equity ratio.

2.6. DISCLOSURE OF FEES AND EXPENDITURE EXCLUDED FROM DEDUCTIBLE EXPENSES FOR THE CORPORATE TAX BASE (ARTICLES 223 *QUATER* AND 223 *QUINQUIES* OF THE FRENCH GENERAL TAX CODE)

In accordance with the provisions of Article 223 *quater* and 223 *quinquies* of the French General Tax Code, we inform you that, in respect of the year ended, no excessive non-deductible expenses or charges have been recorded for tax purposes within the meaning of Article 39-4 of the French General Tax Code, nor excessive overheads within the meaning of Article 39-5 of the French General Tax Code.

2.7. INFORMATION ON PAYMENT TERMS

At December 31, 2022 : EMG Suppliers

(in thousands of euros)	**Invoices received** but not settled at year-end and therefore past due					
	Due at 0 days	Due between 1 and 30 days	Due between 31 and 60 days	Due between 61 and 90 days	Due at more than 91 days	Total (1 day and over)
A. Overdue tranche						
Number of invoices concerned	0	1	3	1	15	20
Total amount of invoices concerned excl. tax	0	1	1	157	(48)	111
Percentage of the total amount of	N/S	N/S	N/S	N/S	N/S	N/S

purchases excl. tax for the year						
Percentage of total revenue excl. tax for the year						
B. Overdue tranche						
Number of invoices excluded	0	0	0	0	0	0
Total amount of invoices excluded	0	0	0	0	0	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, 2022: EMG Customers

(in thousands of euros)	**Invoices issued** but not settled at year-end and thus still due					
	Due at 0 days	Due between 1 and 30 days	Due between 31 and 60 days	Due between 61 and 90 days	Due at more than 91 days	Total (1 day and over)
A. Overdue tranche						
Number of invoices concerned	0	0	0	0	5	5
Total amount of invoices concerned incl. tax	0	0	0	0	4183	4183
Percentage of the total amount of purchases excl. tax for the year	N/S	N/S	N/S	N/S	N/S	N/S
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 30 days from end of month of date of invoice					

2.8. Foreseeable developments and future outlook

The Company intends to continue with the execution of its strategy to become a leader in dedicated sustainable mobility services.

The focus of the group is expected to continue to be:

1. improving its customer experience, with a more premium brand experience at Europcar through a more premium fleet and more convenient services, and by making Goldcar a leader in low-cost rental through greater simplicity in customer terms, standardization and efficiency.

2. building a platform for the future of new mobility, through its subscription service 'MyEuropcar', use of the technology in its carshare platform 'Ubeeqo' and the expansion of its network

3. Making the business more sustainable, with a focus on improving its environmental impact and the efficiency of its model to withstand global events

We expect to continue to make investments in all three areas.

The Company has been through significant change in recent years, including the challenges of the pandemic, its financial restructuring and the process for change of ownership. We are now embarked upon a programme of work to ensure we take advantage of the opportunities presented by new ownership and continue to identify the principal risks to our business and mitigate those risks.

Looking ahead, in addition to the opportunities presented by our strategy and mitigating the risks identified in this report, we note several important factors:

- The recovery from Covid continues and we expect global leisure travel to recover strongly and business travel to recover more slowly, linked to economic conditions, particularly in vans and trucks. However, both may be subject to factors such as global political conditions, airline capacity, local industrial action in the transport network, regulation and border restrictions

- The recent supply shortages of vehicles in the car and van industry have led to higher prices for vehicles and also higher levels of retail prices. Trends in this area are uncertain and it is possible that both could fluctuate significantly in future. The level of resale prices in the vehicle market is also subject to possible variations which will have the greatest impact on values of our at-risk vehicles.

- The pressures of manufacturer supply chains and the types of vehicles available from time to time may lead to changes in the mix of at-risk, lease or buyback vehicles, necessitating changes to financing in order to maintain appropriate levels of fleet financing by country and type of vehicle

- The changing move to electrification of vehicle fleets is subject to the availability of vehicle supply, electric charging facilities, access to the electricity network and other factors. The pace of change may vary by country and by year, according to conditions.

- Regulatory change in the field of new mobility is rapid, including growth in low-emission zones, changing requirements at airports, new data protection rules and consumer and competition measures. The group may have to adjust business practices rapidly in response to changes.

- Levels of inflation around the world have been rising, and this places pressure on staff costs where the group intends to remain competitive

- Opportunities are increasing in new mobility, particularly in subscription. These businesses are subject to high levels of competition and we may choose to invest in building positions in these sectors which take longer to reach profitability than our traditional operations

- The Company may have opportunities to create value for customers by co-operating, on an arm's-length basis and at commercial terms, with entities controlled by its ultimate shareholders.

While the geopolitical environment, economic conditions, limited fleet supply and uncertainty of fleet values (both to acquire and residual values) make it difficult to forecast the coming years, the company remains confident in its long-term prospects.

2.9. STATUTORY AUDITORS' TERMS OF OFFICE

	Start date of 1st term	Date of renewal of last term of office	Term (expiration) of current term of office
PricewaterhouseCoopers Audit (member of the Compagnie Regionale des Commissaires aux Comptes de Versailles) Represented by Romain Dumont 63 rue de Villiers, 92200 Neuilly-sur-Seine	March 09, 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 Regionale des Commissaires aux Comptes de Versailles) Represented by Guillaume Devaux 61 rue Henri-Regnault, 92400 Courbevoie, France	May 16, 2013	April 26, 2019	At the end of the Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2024

3. LIQUIDITY AND FINANCIAL POSITION

3.1 TOTAL NET DEBT

As of December 31, 2022, Group corporate gross debt excluding IFRS 16 amounted to €280 million, compared with €542 million as of December 31, 2021. The Group recorded corporate cash (excluding undrawn corporate facilities) of €288 million as of December 31, 2022 versus €302 million as of December 31, 2021.

As of the same date, total net fleet debt, excluding fleet-related lease liabilities, totaled €2,759 million, compared to €2,772 million as of December 31, 2021.

IFRS 16 lease liabilities totaled €482 million (of which €194 million is fleet related) as of December 31, 2022, compared to €430 million (of which €155 million is fleet related) as of December 31, 2021.

The table below presents net corporate debt and total net debt (excluding IFRS 16 lease liabilities).

	As of December 31,
(in millions of €)	**2022**
State guaranteed loans(A)	244
Senior RCF and term loan(B)	500
FCT Junior Notes(C), accrued interest, capitalized costs of financing agreements and other costs(D)(E)	-464
Corporate Gross Debt recognized on balance sheet	**280**
Cash held by operating and holding entities and short-term investments(F)	288
Corporate Net Debt recognized on balance-sheet	**-8**
EC Finance Notes(G)	500
Senior Asset Revolving Facility	1 297
FCT Junior Notes accrued interest, capitalized costs of financing agreements and other	473
Fleet financing in the UK, Australia and other fleet financing facilities	649
Gross Fleet Financial Debt recognized on the balance sheet	**2 919**
Cash held by fleet-owning entities and short-term fleet investments	159
Fleet Net Debt recognized on the balance sheet	**2 759**

(A) For the purpose of consolidating the Group's liquidity to allow it to address its vehicle financing needs and its corporate needs related to the impacts of the Covid-19 pandemic, on May 2, 2020, the Group negotiated a €220 million loan, 90% guaranteed by the French government. This loan had an initial maturity of one year which was extended to five years on April 23, 2021, and will be used to meet the Group's general requirements. During the second quarter of 2020, the Group also negotiated state-guaranteed loans from the Spanish government (70% guarantee) amounting to €101 million. These loans, with a three-year maturity that was extended by three years to 2026 in March 2021, are intended to finance the working capital requirements of the borrower and/or finance the vehicle fleet in Spain.

(B) On 2022, the 30th of November, the group refinanced its corporate debt (including the line related to finance the equity's part of the fleet: VFFA €225m), Term-loan B and Revolving Credit Facility ("RCF") for respectively €500m and €170m. Those financing arrangements were replaced by a €500m VW Bank Term-loan and a new RCF of €250 million. As of 2022, the 31st of December, no cash was drawn under the new RCF.

(C) Revenue from the FCT Junior Notes subscribed by ECI provides 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 additional liquidity requirement. FCT Junior Notes are used only to finance the fleet debt requirement. FCT Junior Notes are subscribed by ECI using available cash or drawings under the RCF.

(D) For countries where fleet costs are not financed through dedicated 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 corporate debt to impact the fleet net debt.
(E) Including accrued interest not due for financial assets (Euroguard).
(F) Short-term investments include bond investments made by the Group's two captive insurers and considered to be liquid due to their maturities.
(G) On October 7, 2021, EC Finance Plc issued the EC Finance Notes (green bond) for a total amount of €500 million due 2026.

3.2 ANALYSIS OF THE CORPORATE FREE CASH FLOW

The Corporate free cash flow is prepared by the indirect method and excludes IFRS 16 impacts.

(in millions of €)	2022.12	2021.12
Adjusted CEBITDA pre IFRS 16	**434**	**188**
Non recurring expenses	(48)	(40)
Non fleet capex	(68)	(61)
Change in NFWC	88	3
Change in provisions	32	22
Income tax paid	(27)	(21)
Corporate free cash flow	**411**	**92**
Conversion ratio rate %	*95%*	*49%*

Free cash flow of the year 2022 consisted of an inflow of €411 million, compared to €92 million inflow in the year 2021 mainly coming from the CEBITDA of €434 million, compared to €188 million in 2021.

- Non-recurring expenses of €48 million in 2022, compared to an expense of €40 million 2021. For both 2022 and 2021, they mainly reflect the adaptation measures taken at headquarters and in the Group station network, mostly in Germany and France, as well as strategic project expenses.
- Acquisition of intangible assets and property, plant and equipment (capital expenditure net of proceeds from disposals and excluding fleet acquisition) totalled €68 million in 2022 compared to €61 million in 2021. These investments are relating to (i) the digital transformation of the Group for €51 million, mostly to delivering our product roadmap and transforming our IT and (ii) to the station network maintenance and transformation (€17 million) .
- Changes in working capital requirements (excluding rental fleet) and provisions amounted to €88 million in 2022, compared to €3 million in 2021, reflecting mainly the good monitoring of non-fleet working capital over the period, with a cash collection improvement, but also an increase of trade payables linked to fleet maintenance and repair due to the aging of the fleet.
- Income tax outflows in 2022 amounted to €27 million, stable, compared to €21 million outflow in 2021.

4. MAIN RISKS AND UNCERTAINTIES FACING THE COMPANY

4.1. Risks relating to the Group's industry and markets

4.1.1. Risks related to the decrease in demand for travel and transport in the regions in which the Group operates

The Group benefits from an international network and operates primarily in Europe and, for a smaller part, in the USA.

Demand for vehicle rentals in a given region, and for "corporate" rentals in particular, is affected by trends in 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 outlook for 2023 for the Eurozone remain very uncertain, with a risk of stagnation.

A deflationary or inflationary environment in the EEA, the USA or our other markets would limit the Group's growth prospects and any deterioration in the eurozone economy could adversely affect the Group's business, operating income, financial position and prospects.

Vehicle rental demand, particularly in the "leisure" segment, is also affected by trends in air travel, which in turn are affected both by macroeconomic conditions and specific factors such as flight ticket prices, fuel price trends, work stoppages, social movements, natural catastrophes, epidemics, terrorist attacks (or a perceived heightened risk of attacks), military conflicts such as the one occurring in Ukraine, external events on a European or global scale, and governments' responses to any of these events. 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 adverse effect, the Group subscribed to an insurance program. A protracted armed conflict in Europe or on a European scale, insofar as it is creating a slowdown in business and tourist travel, is having a significant impact on the Group's business.

With regard to the Covid-19 outbreak, the Group continues to be vigilant and expects to be monitoring its potential exposure in order to take the appropriate steps, both in terms of its staff and its customers, and its business, with a dedicated multidisciplinary team under the supervision of Senior Management, should the pandemic recur. In that circumstance, the Group would expect to regularly review the course of the pandemic as well as its impact on the Group's business, operations and financial position, and to take all appropriate measures for its customers, employees, stations and fleet. 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 likely to have a significant impact on the Group's business, operating income and financial position .

Vehicle rental demand is also highly sensitive to weather conditions. The tendency toward last minute reservations (itself resulting in part from the increasing weight of Internet-based distribution channels) has increased this sensitivity. Adverse weather conditions, particularly in the summer months, could lead to a decline in 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. General climate risks may also play a long-term role in changing seasonality.

4.1.2. Risks related to the high level of competition in the vehicle rental industry, affected by structural changes

The vehicle rental industry is a competitive market. At the international level, the Group's main competitors are several multinational vehicle rental companies, brokers and new mobility players of varying size and alternative providers such as leasing companies. 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.

Price is one of the industry's main competitive factors. Pricing is highly dependent on demand levels, the supply of vehicles available for rent relative to demand, and oversupply of rental vehicles relative to demand can lead to intense pressure on prices 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 one of the main sources of differentiation. This trend is expected to continue. This increase in online reservations 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.

The emergence of new mobility solutions creates opportunities but is not devoid of risks. The entry into the market of new potential competitors that have adopted a digital-only model – such as companies offering car sharing and car-pooling services – and their growing presence in the mobility market, or the arrival of leasing companies on the market for shorter-term contracts, could also affect the Group's competitive position. In response to such competition and to these changes market conditions, in June 2020 the Group implemented the "Connect" strategic program (structured around three Services Lines and use cases), which seeks to address these new demands and customer behaviors.

4.1.3. Risks related to the seasonal nature of the vehicle rental industry and its sensitivity to weather conditions

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. Given the scale of the Covid-19 pandemic and its ongoing spread, the first and second quarters of 2021 were significantly disrupted. However, from the third quarter 2021 and 2022, business started to resume gradually, with a positive effect on the Group's revenue and operating income.

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.

In addition, changing climate trends over the long term may alter the pattern of seasonality around the world, requiring us to adapt. Local weather events or changes such as absences of snow in ski resorts, wildfires, floods and wind can impact travel at short notice over a significant area.

4.2. Operational risks related to the business

4.2.1. Risks related to the supply of the Group's vehicle fleet and to manufacturers' recall campaigns

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 or the conflict in Ukraine, which have been affecting the automotive industry's supply chain since the end of 2020. 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.

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. Historically, vehicle sales to the vehicle rental industry have been relatively less profitable for car manufacturers due to sales incentive and other discount programs that allow fleet purchasers such as Europcar to limit their average vehicle holding costs. In the current context, car manufacturers are seeing their production costs rise due to the long-term shortage of computer chips, the increase in raw material costs and inflation. Therefore, they are opting to reduce the proportion of the fleet allocated to rental companies in favor of more profitable channels, while significantly raising holding costs, thereby elevating the acquisition cost for Europcar Mobility Group.

Procurement and fleet holding costs may also increase due to taxes linked to emission reduction requirements and the transition to electric vehicles. Car manufacturers are gradually stepping up their production of electric vehicles and scaling back production of internal combustion engine vehicles, causing a significant cost increase. 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 its prices, the Group's results of operation and financial position could be materially adversely affected.

Any changes in standards or economic or financial distress, particularly linked to Covid-19 or the current geopolitical conflict in Ukraine, 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 under terms and conditions that are as competitive or in the form of the particular vehicle sales arrangements on which the Group relied up until now.

The Group makes extensive use of buy-back agreements (whereby the Group's vehicles are repurchased by manufacturers or dealers on pre-established terms after a pre-determined holding period) to limit the risk on vehicles resale value, finance its fleet on the basis of agreed repurchase prices, and enjoy greater flexibility in managing its fleet.

However, given the current pressure on vehicle availability and “buy back” arrangements being often at higher prices, the Group’s vehicles purchase policy is also resulting in an increasing proportion of at-risk purchases to safeguard the fleet. This increases the risk exposure of second hand car market price and residual value on vehicles.

It was noted that manufacturers had continued to reduce the proportion of diesel vehicles in favor of gasoline vehicles in 2022, furthering the transition started in previous years.

The 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. Since the entry into force of the WLTP procedure, CO_2 levels have been found to be higher than those recorded under the previous standard, and this has led to an increase in taxes imposed on vehicles. The financial impact from the taxation of CO_2 emissions has been mitigated thanks to an improvement in both model and engine (low-emissions engines combined with a larger proportion of hybrid and electric vehicles) as well as longer holding periods.

The Group might have to spend considerable sums if a manufacturer or dealer were no longer able to respect its buyback 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 the 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 contractually guaranteed amount, and therefore requiring the manufacturer or the dealer to compensate the Group for the loss incurred, 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 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.

The residual values of the remaining vehicles not covered by a buy-back agreement – 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 could become constrained as a result of a number of factors, including macroeconomic conditions, in particular those resulting from the Covid-19 pandemic, geopolitical conflicts, 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. 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.

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, as it is possible with “buy back” and would increase its exposure to fluctuations in the residual value of used vehicles. Additionally, any reduction in the residual values of “at-risk vehicles” could cause the Group to sustain a loss when such vehicles are ultimately resold and would affect its liquidity by decreasing the value of the asset base upon which financing is based.

Lastly, buy-back agreements offer more flexibility in adjusting the size of the Group's fleet to respond to seasonal fluctuations in demand or in the event of an economy downturn, since such agreements allow for shorter holding periods than for "at-risk" vehicles. The Group cannot guarantee 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.

4.2.2. Risks related to the contractual relationships with certain key partners and key distribution channels

In the leisure segment, the Group relies on a number of targeted partnerships and third-party distribution channels, which generate significant rental revenue.

In the business segment, the Group has also entered into many exclusive or non-exclusive agreements with large corporations, which cumulatively account for 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.

4.2.3. Risks related to the Group's potential failure to detect fraud

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 acceleration in the rate at which new services or applications are introduced, in particular in the area of billing and customer relationship management, new types of fraud that are more difficult to detect or counter could also emerge. See also "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 occurrences or the failure to detect these new types of fraud, the Group's revenue, operating income and reputation could be affected.

4.2.4. 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 also maintains important business relationships with several software and service providers that it uses to operate its IT 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.

4.2.5. Risks related to contractual relationships with franchisees, agents and affiliates

For the contracts in force, 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.

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 could lose franchisees to competing networks offering more favorable terms, or franchisees could cease operating as a result of the Covid-19 pandemic. If one or more of the Group's franchisees were to leave the Group's networks, its geographic coverage could be reduced and transition costs may be incurred; and 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.

Furthermore, the Group faces risks related to the actions or omissions of its franchisees, agents and affiliates (for further information, see Section "Risks related to the Group's ability to develop and maintain favorable brand recognition").

4.2.6. Risks related to the Group's potential inability to continue operations on acceptable terms at certain major airports and train stations

The Group operates rental agencies at airport and train stations, generally through three-year to five-year agreements. While historically such arrangements have been renewed, they are frequently competitively tendered and 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.

4.3. Risks related to the operation and organization of the Group

4.3.1. Risks related to the Group's strategy

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 changes in customer preferences and its customer mix in its existing markets.

In addition to the risks related to the Group's ability to define a relevant strategy that is consistent with its competitive environment and its own resources, risks related to the implementation of the strategy also exist, particularly where its ongoing, largely digital, transformation plans are concerned. Delays in the implementation of the Group's transformation plan would result in considerable value-creation shortfalls, in terms of both expected earnings and planned cost reductions. Lastly, poor implementation of the Group's reorganization plans could potentially lead to the loss of key skills, or a delay in expected productivity gains, at head offices or within the network of agencies.

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 operates in 140 countries and territories through its subsidiaries, franchisees and partnerships. The Group is therefore likely to expand into other countries in line with its development strategy. The gradual standardization of the different internal control procedures across the various Corporate Countries could be a source of difficulties and slow down the implementation of the Group's strategy. Difficulties related to maintaining a corporate culture as the Group expands, and disparities in 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 a 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).

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 effectively capitalize on the expertise of the integrated companies in order to optimize growth efforts, and 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, the change-of-control clauses contained in some agreements 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 operating income. 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.

4.3.2. Risks related to the ability of the Group to anticipate the failure or unavailability of the Group's centralized information systems and to pursue new information technology developments

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. A major failure of IT or other systems, or a major disruption of communications between the systems and the locations they serve, whatever the reason (especially a cyberattack), 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. Cybercrime trends and information warfare in the context of a geopolitical conflict could disrupt or block some or all of our IT systems and interfere with the Group's ability to manage its fleet, affect its operations and have a material impact on the Group's business, operating income and financial position.

To achieve its strategic objectives and remain competitive, the Group must continue to develop and enhance its information systems in order to meet customers' increasing expectations as regards digital solutions, remain competitive 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 and continues to invest in its information systems – including within the framework of its core-system simplification program, which is part of its Product & Tech Transformation project – but no assurances can currently be given that the Group will be able to fully anticipate such developments, or that it will 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.

4.3.3. Risks related to the Group's ability to develop and maintain favorable brand recognition

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 its brand recognition that are often beyond its control, such efforts may not be successful. The integration of the Group's 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 damage to the Group's reputation is magnified by the fact that it also operates through a large network of franchisees, agents and independent partners. While the Group has implemented brand-use guidelines – which specify the conditions under which its partners, franchisees and agents may reproduce and/or represent its brands – and ensures, in particular through Internet monitoring, that franchisees, agents and partners adhere to the Group's standards and participate in promoting the brands that they use under license, any failure by them to do so, or any other action that impacted brand reputation, 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.

4.3.4. Risks related to the Group's potential failure to protect customer data against security breaches and cyber-attacks

The Group's systems regularly collect, store and process customer data, including the personal data of private individuals and businesses' non-public data. Failure by the Group to secure the data it holds or the integrity of its systems – whether as the result of the Group's own error or the malfeasance, errors, or malicious acts of others – could harm the Group's reputation and give rise to significant liabilities. Third parties may possess the technology or expertise to breach the security measures put in place by the Group to protect customer transaction data. The Covid-19 pandemic has seen a marked increase in the risk of cyberattacks, owing to the number of attacks generally reported by companies and to the widespread use of teleworking arrangements. At the beginning of the first lockdown, the Group observed a 40% increase in malicious activity on the Europcar website, which the Group was able to contain. Remote access capabilities have been reinforced and, on the whole, have proved satisfactory in that they allow for operational continuity of administrative tasks. Additionally, employees have been sensitized to the main identified risks and the associated risks of fraud.

Particularly in light of cybercrime trends and information warfare in the context of a geopolitical conflict, 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, which are likely to cause substantial harm to the Group's business, operating income and reputation. The Group is taking steps to implement and encryption and/or authentication solution, including for 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 disrupt the Group's operations.

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 satisfy the PCI data security standards could result in a significant increase in credit-card companies' fees, retention of payments, or an extension of their payment terms, and/or loss of the right to accept payment by credit card.

Failure to protect customers' personal data, or security incidents resulting in a breach of the Company's IT data by third parties, could damage the Group's reputation and image, give rise to fines and administrative investigations, or material civil or criminal liability, all of which would have an adverse material effect on Group's business, operating income and financial position.

4.3.5. Risks related to the Group's human capital

- **Risks related to attracting and retaining talent and skills management**

The Group relies on a number of key employees with specialized skills and extensive experience in their respective fields. The Group believes that the growth and success of its business depends on its ability to attract and retain highly skilled and qualified personnel with specialized know-how in the vehicle rental and mobility solutions industry. If the Group were to lose certain employees, its ability to successfully implement its business strategy, financial and marketing plans and other programs geared toward achieving its objectives, could be significantly affected. The role of the Talents Department is to secure the key skills required for the Group's transformation.

- **Risks related to personal safety**

The safety of customers and employees, and employee well-being, are an integral part of the Group's values. In terms of safety, in addition to environmental and safety regulations , the Group introduced, at the outset of the pandemic, its "Safety Program" to reinforce cleaning and hygiene measures across all its agencies and vehicle fleets to ensure the safety of customers and employees. This program follows the recommendations of the health authorities by integrating the best cleaning and disinfection protocols in relation to the health crisis. Through a partnership with Bureau Veritas, the Group conducted an assessment of its processes and practices and secured support for the implementation of standard health and safety protocols.

- **Psychosocial risks**

The worlds of work and mobility are rapidly changing, not only in response to the increasingly widespread use of digital technologies, among other things, but also as a result of the Covid-19 pandemic. Against this backdrop, the Group signed an agreement in 2019 introducing telecommuting arrangements for its headquarters-based employees. In 2021, on account of the pandemic, these arrangements were generalized across the Group. Local initiatives have also been undertaken, such as virtual meetings to maintain social ties, and the setting up of a psychological support unit for employees to mitigate the risk of isolation. For example, the HR Department at the Group's headquarters has conceived an entirely digital training course intended for all managers at headquarters, whether they are based in France or abroad, to equip them with the skills to manage teams taking a hybrid approach to working. Nevertheless, despite implementing a strategy to attract and retain talented personnel, and its concern for its employee's well-being, the Group cannot guarantee that it will be able to retain all its talent, given the current economic and public-health conditions, which have severely impacted the sector of activity in which the Group operates.

4.4. Financial risks

4.4.1. Market risks

Through its activities, the Group is exposed to various financial risks which, in the context of a European or global geopolitical crisis or the Covid-19 pandemic and its consequences, could be exacerbated: Among these are market risks (especially foreign-exchange and interest-rate risks), credit risks, pricing risks and liquidity risks. The Group's risk management programs seek to mitigate 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 continuously assesses the financial risks identified (including market risk, credit risk, liquidity risk and inflation) and documents its exposure in its consolidated financial statements. A detailed analysis of these risks is set out in Note "Financing and financial risk management".

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 direct and indirect risks associated with currency fluctuations.

The Group's operating income could be affected by foreign currency translation effects and exchange rate fluctuations, both of which would impact its international transactions, as well as by inflation. 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 it converts currencies it receives from its operations into the currencies required to pay the Group's debt, or into currencies used to purchase vehicles, cover 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. As such, in any given period, the Group's financial results are materially affected by fluctuations in the value of the euro relative to the British pound, the Australian dollar, the Danish krone, the US dollar, and other currencies. 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.

Owing to the uncertainty surrounding the economic recovery, the impact of the Covid-19 pandemic and the conflict in Ukraine on the mobility sector, and the outcome of the Group's transformation, the margin for maneuver considered in the calculation of the Company's requirements, and covered through the financial reorganization plan, could prove insufficient and require the Company to seek additional funding.

4.4.2. Risks related to the Group's ability to generate cash and/or secure financing to fund its indebtedness or forecast liquidity requirements

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.

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

Europcar Mobility Group SA is a holding company and, as such, its principal assets consist of direct and indirect investments in its different subsidiaries, which generate the Group's cash flow. 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.

4.4.4. 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, the UK securitisation and the US securitisation and other arrangements .

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;
- the Ukraine conflict, its spread, and its consequences for the European economy and procurement;
- 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) by securing additional financing or by refinancing existing asset-backed debt, (ii) upon the occurrence of external events, such as changes in general economic and market conditions or a deterioration in the credit ratings of the Group's principal vehicle manufacturers, including the Volkswagen group, Fiat, Ford, Renault or Peugeot Citroën, or (iii) otherwise;
- the insolvency or a deterioration in the financial position of one or more swap counterparts or financial institutions involved in any capacity in the Group's asset-backed financing;
- 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 default event 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.

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

The Group and the Group's subsidiaries are subject to covenants contained in the Group's debt instruments. In certain circumstances, these covenants restrict the ability of certain of the Group's subsidiaries to make payments to the Group, which in turn could 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 PGE, RCF/VW Bank Term Loan and SARF contracts, the indentures governing the EC Finance Notes contain the usual clauses stipulating that any payment default or early redemption concerning overall indebtedness of €50 million or more of the Company or its subsidiaries also constitutes a case of default under the terms of these contracts. The RCF/VW Bank TL, and some of other facilities, namely in Australia/New Zealand, Denmark and the United States, 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/VW Bank TL contract and/or the EC Finance Notes, or adversely affect the Group's ability to borrow under the terms of the RCF/VW Bank TL 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 default event under the RCF/TLB contract, the lenders thereunder can 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/VW Bank TL 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 of the Group's other liabilities that would become due and payable).

The SARF also includes restrictive clauses applicable to certain *ad hoc* entities incorporated as part of the asset-backed financing agreement, in particular Securitifleet Holding S.A. (Securitifleet Holding), the *ad hoc* entity through which financing is provided for the purchasing and rental of fleet vehicles from Securitifleet companies in France, Italy, Spain and Germany, and from GoldFleet companies in France, Spain and Italy. Failure to fulfill these covenants and conditions could lead to 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 RCF/VW Bank TL, or the EC Finance Notes will constitute a "level 2" default event under the SARF . 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 RCF/VW Bank TL 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 distributions;
- 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 requirements, 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.

4.5. Regulatory and legal risks

4.5.1.Risks related to changes in prevailing legislation and regulations, applicable to the Group's business activities

Operating in over 140 countries and territories throughout the world (directly or through franchises, agents or partnerships), the Group 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, consumers' personal data, data protection, combating money laundering and corruption, labor laws, cost and fee recovery, competition, price control and the protection of the Group's brands and other intellectual property rights, (ii) foreign currency translations 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 disasters, 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. 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 banning 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, operating income, 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.

- **Risks related to compliance with Consumer Protection regulations**

The Group's B2C activity is regulated by current consumer protection rules. As such, 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 changes 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 affect, on one hand, the Group's reputation and image – especially in the event of information publicized by consumer associations, or litigation or sanctions imposed by authorities and given 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 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 dialog with these authorities and consumer associations.

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.

- **Risks related to compliance with personal data protection regulations**

Changes in the regulations for protection of personal data could also have a material effect on the Group's business. European directives and regulations as well as national rules in the various countries where the Group operates set limits on 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 (the GDPR), which came into force on May 25, 2018, entails the requirement to inform and the rights of those concerned, and provides for stricter methods for obtaining consent. Some breaches of the GDPR could lead to administrative fines of up to €20 million, or 4% of global annual revenue, whichever is the higher amount.

Because the Group's IT systems are centralized, they require regular cross-border flows of current and prospective customers' data outside the country where they were collected. 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. The invalidation of Privacy Shield, which was established to protect data transferred to providers subject to United States legislation, is one of these changes. Insofar that it limits the Group's ability to make such transfers, or requires the reinforcement of data security measures, the Group may need to change providers or incur extra costs inherent in putting appropriate guarantees in place in compliance with the recommendations of the data protection authorities.

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, within the framework of the GDPR, the Group is required, under certain conditions, to notify the relevant authorities and the individuals concerned of its personal data breaches.

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

- **Risks related to environmental and health and safety rules**

The Group has its own petroleum product storage facilities, and car wash and maintenance centers. As such, the Group's operations are subject to environmental laws and regulations, particularly as regards (i) the ownership and operation of petroleum product storage facilities – e.g. for gasoline and diesel – and (ii) the production, storage, transportation and disposal of waste, including sludge from car 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 for ensuring that its storage facilities comply with local regulations in the country in which it operates, 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 regarding 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 basis, could 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.

- **Risks related to compliance with regulations on franchisees**

The Group has national and international franchise 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 they are independent of the Group, franchisees must comply with the knowledge requirements and standards defined by the Group, and with the laws and regulations applicable to their business. Franchisees' failure to comply with these rules could have a material adverse effect on the Group's reputation and business in the countries in question.

4.5.2. 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 automobile insurance packages 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 or per vehicle, have trended both 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, claims – or the share of claims related to automobile civil liability – of up to €500,000 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.

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.

4.5.3.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, "GreenWay®" technology and its other intellectual property rights. The Group grants its franchises, agents and service providers licenses to use its trademarks and other intellectual property rights. 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 Group companies are granted an exclusive license on certain brands in countries where the Group is established or has a franchise, excluding countries where the partner operates directly . 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 these third parties to take adequate measures in order to protect and enforce its intellectual property rights, which have been 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.

4.5.4.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 most significant of which are described where appropriate elsewhere under "Legal and arbitration proceedings". 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 for regulatory, legal and arbitration proceedings, recorded by Group companies in their financial statements, could be insufficient and could have a material adverse effect on the Group's business, results, financial position, liquidity or prospects, independently of the basis for the claim.

4.5.5. 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.

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.

4.6. Risk management procedures

4.6.1. 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 considered a priority by the Group's management and is closely monitored by the Group's Internal Audit, internal control and Risks 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 that operations and resource use are efficient;
- identify, analyze and control risks that could have a material effect on the Group's assets, results, operations or achievement of its objectives, whether operational, commercial, legal or financial, or related to legal or regulatory compliance.

The Group's risk management process is also monitored by the Supervisory Board which 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.

4.6.2. Main risk management procedures

- **Group's risk map**

The Group's Internal Audit, internal control and Risks Department regularly prepares and updates a risk map for the Group. The risk map is presented to the Group Executive Committee, which decides 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 Group executives, and with other key staff within the Group, in order to identify the risks to which their scope of responsibility is exposed. These interviews are conducted by the Group's 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. The mapping thus completed for a given year facilitates an assessment of risks confronting the Group. The resulting map obtained for a given year (i) can be compared with the previous year's map, and helps in understanding the development of risks to which the Group is exposed, and (ii) allows the Group to establish a dashboard with the estimated degree of control of each of the identified risks, to identify those that must be dealt with as a matter of priority, and to ensure that internal controls are adequate to prevent and detect them;
- review and approval of the risk map by the Group Executive Committee and presentation to the Supervisory Board.

- **Risk monitoring and action plans**

Depending on the principal risks identified, the concerned departments draw up action plans to be carried out by the Group or local managers of the departments in question.

- **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, provides that, starting in fiscal years ending December 31, 2016, the Group must report "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." Risk factors and the Statement of Non-Financial Performance, include all legally required information. They can be summarized as follows:

- the Group has measures in place for CSR governance under the authority of the Group Head of CSR;
- 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 4.1.3 "Risks related to the seasonal nature of the vehicle rental industry and its sensitivity to weather conditions;
- the sensitivity of the vehicle rental business to the financial risks related to the effects of climate change is limited. Currently, this risk is only partially controlled, through the implementation of a carbon reduction plan. The strategy seeks to minimize the carbon footprint of all emissions produced directly –as a result of the Group's operations and indirectly as a result of its fleet usage by its customers. In the framework of the Science Based Targets Initiative that has officially approved its carbon reduction targets, the Group intends to reduce its direct and indirect CO2 emissions by 2030 (base year 2019), to be in line with the Paris Agreement objectives: - 46,2% on Scope 1 & 2 (direct emissions) and - 27,5% on Scope 3 (indirect emissions).

Europcar Mobility Group's sustainable mobility ambitions are now subject to a systematic approach to reducing carbon emissions, which includes all of the Company's key processes. In line with this ambition, in September 2021 the Group launched a €500 million sustainability-linked bond issue to refinance its fleet on the basis of "green" criteria. Along with the transformation of the Group's business model, the use of sustainable financial instruments acts as a powerful driver of engagement for the Group's stakeholders. Even though the Group complies with all the laws and regulations to

"Risks related to environmental and health and safety rules" that international law-making and regulatory bodies have historically contemplated – and are likely to continue contemplating – 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.

4.6.3. 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.

The Group is required to analyze the insurance coverage for recently acquired companies, 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, compliant 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.

4.7. Legal and arbitration proceedings

As many multinationals' enterprises, in 2022 the Group was facing a number of litigations, as for the most significant described below, and was exposed to some tax audits and/or tax litigations for which the risk has been reflected where necessary in the year end accounts.

CONNECTED CARS	**Group**
• ***Ground and Summary*** The French Data Protection Authority (The CNIL) has launched an investigation in May 2020 against Ubeeqo International in the context of its annual control plan (related to daily connected services). Investigation started in May 2020 (online control and request for information on 46 control points). This case is as a cross-border one for which the CNIL is acting as lead data protection authority (10 data protection authorities are concerned). After a hearing the 27th of January 2022, the CNIL pronounced an administrative fine, the 7 July 2022, of 175 000€ and made the decision public. The grounds for the decision are the following ones: The CNIL considers that the purposes put forward by Ubeeqo to justify the collection of the location data (i.e to ensure the maintenance and performance of the service, to find the vehicle in the event of theft, to provide assistance to customers in the event of an accident) do not justify the collection of this data every 500 meters during the rental. Regarding the data retention periods: The CNIL considers that Ubeeqo International retained the geolocation data and other personal data for a period longer than necessary for the purposes for which it was intended. Regarding the information of the clients: the CNIL simply notes that we made the required modification (modification of the registration form) during the procedure but sanctions Ubeeqo International for the breach on the day of the control (June 2020). The Group decided to make an appeal. This intention was notified to the Conseil d'Etat (the higher administrative court) on the 7th of September. Appeal was done in December	• ***Risk*** Increase of the administrative fine of the CNIL (175 000€ unlikely due to the fact that the amount of the fine is closed to the 4% of the global annual turnover of Ubeeqo International • ***Provision*** No • ***Next step*** Waiting from feedback of the CNIL Duration of the procedure: 1 year (1st response from the CNIL is expected in March or April 2023).

RUE DE LA ROQUETTE	**France**
Ground and Summary 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 net damages cost already accounted for) and damaged the structural integrity 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 instigated proceedings against the owner of the garage, its insurer, the association of	***Risk*** To be held responsible of the consequences of the fire and have to indemnify with our insurer all the parties for the damages

co-owners of the building and the French Diabetics Association before the President of the District Court of Paris to seek the appointment of an expert to determine the origin of the fire and assess the amount of damage suffered by each party (civil proceedings). -The investigating magistrate decided on November 24, 2016 to take no further action as regards the criminal proceedings. The decision to close this proceeding was based on the fact that the judicial inquiry had not been able to determine the cause of the fire and that the expert report commissioned by the investigating magistrate had shown that the fire had probably been caused by an electrical defect in a vehicle. The expert report commissioned in the civil proceedings filed its report. Europcar France and AIG have brought an action for professional civil liability against the experts referred to in these proceedings. They were dismissed on July 5, 2020 but have appealed. - ALLIANZ Iard brought an action against Europcar France and AIG before the Commercial Court of Nanterre on the ground of the law of 5 February 1985, to obtain an order against Europcar France and AIG to pay jointly 3 902 743,37€. Europcar France and AIG asked the Tribunal to issue a stay of proceedings pending the judgment of the Paris High Court on the experts' professional liability. -AXA (Insurer of Allianz Pierre , which is the lessor of ECF for the premises of the rue de la Roquette) brought an action against ECF and AIG to hold the company responsible for all the consequences of the fire damage, to order ECF and its insurer AIG to compensate AXA France, subrogated to the rights of its insured, for all the financial consequences of this loss assumed by AXA France IARD, i.e. 539 286,32 € excluding VAT). The Court, July 5th 2022 issued a favorable decision for AXA . ECF and AIG appealed. AIG has confirmed that it will guarantee ECF for this amount. -Breton family, owners of one apartment in the building, who were forced to leave it for several months, filed in September 2021 a lawsuit against AIG and Europcar France (on the ground of the law of 5 February 1985) to obtain compensation for their moral and financial losses. They have requested that the proceedings be suspended pending the appeal procedure against the experts.	***Provision*** No ***Next step*** -Proceedings against the experts are pending before the Paris Court of Appeal -Proceedings before ALLIANZ Iard and MAIF were suspended by the Nanterre Commercial Court pending the outcome of the appeal process against the experts. -Proceedings before AXA are pending before the Paris Court of Appeal -Proceedings before BRETON's Family are pending before the Paris Judicial Court(proceeding suspended pending the appeal against the experts)

TRADING STANDARDS INVESTIGATION INTO DAMAGE CHARGING PRACTICES	**UK**
● ***Ground and Summary*** On June 23, 2017, Leicester City Council Trading Standards Department (“Leicester Trading Standards”) opened an inquiry into Europcar UK for a breach of Article 9 of the Consumer Protection from Unfair Trading Regulations 2008 (“the Regulations”) , 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, along with Leicester Trading Standards, established a list of documents that had to be submitted by the company and	● ***Risk*** Consumer Law fine and/or civil redress/compensation ● ***Provision*** £38m ● ***Next step***

Europcar appointed Deloitte to fulfil this task. The results of the inquiries conducted by Deloitte were presented to Leicester Trading Standards in November 2018. The investigation by Leicester Trading Standards is still in progress and the Group continues to cooperate fully with the authorities. There has not been any recent contact from Trading Standards on this matter. In its consolidated financial statements at December 31, 2017, the Group recognized a provision of £38 million (€43 million) in non-recurring expenses. This amount corresponded to the Group's best estimate, at that very early stage of the investigation, based on a number of assumptions, including an assumption that the charging practices would be found to be misleading under the Regulations and potentially inappropriate behavior when charging repair costs to customers. A new risk assessment was performed as at December 31, 2018 and reviewed at the end of 2019. On the basis of the items analyzed at that date, the Group decided to retain the provision of £38 million recognized in the previous year. At the date of writing, no changes have occurred regarding the assessment of the risk posed by this matter, conducted in 2018 and reviewed in 2019. At December 31, 2022 the provision of £38 million still appeared in the Groups accounts.	Awaiting further contact from Trading Standard regarding their progress with the investigation.

GEFION - COVERAGE DISPUTE WITH FORMER INSURER	**Germany**
• ***Ground and Summary*** Lawsuit for unsettled comprehensive damage settlements by our insurance company Gefion for the insurance period between 2018 - 2019 for a total of 14,765 filed damage claims with a total value of 26 284 825,47€. Non-admission complaint has been filed with the supreme court by the counterparty; EMobG filed written reply to Gefion's non-admission complaint duly on Feb. 9th 2022; the Federal Court of Justice rejected the appeal for non-admission to the advantage of EMobG Services Germany GmbH. A decision on the allocation of legal costs is still outstanding**.**	• ***Risk*** • ***Provision*** • ***Next step*** Awaiting confirmation from the Supreme Court as to whether they will accept the case. Parties are due to exchange written statements regarding the admission.

RIESGO TENERIFE SUR vs GOLDCAR: EMPLOYMENT SUBROGATION CLAUSE	**Spain**
• ***Ground and Summary*** Workers from Tenerife have filed a lawsuit claiming seniority of their relationship with the company. The case is currently at the Supreme Court waiting for a decision. If the claim of the workers is accepted by the court, other workers of Goldcar could claim too for the same issue in the future. Amount: 850 000€	• ***Risk*** 850 000€ • ***Provision*** Yes • ***Next step*** waiting for the final resolution.

Status:Pending Supreme Court Resolution.	

Administrative penalties for traffic violations	**Italy**
Ground and Summary Judicial Authority: Giudice di Pace di Bolzano (Italian Civil Judge of First Degree) Proceeding number: 11879/2022 Next Hearing: December 15, 2022 Value: 452 481,96€ Object: the proceeding regards the appeal on behalf of Securitifleet S.p.A. of several bills notified by Agenzia delle Entrate - Riscossione (Italian Credit Collector Authority) based on administrative penalties for traffic violations. In this specific proceeding, the appeal involves the challenge of the following bills: 02120200008254926000, 02120200008255027000, 02120200008255128000, 0212020000825522900, 02120200008255330000, 02120200008255543100, 02120200008255532000. Status: 21 December 2022, the Judge issued the judgement by which he upheld the appeal in its entirety, annulling the contested payment demands and sentencing the defendants (Agenzia delle Entrate – Riscossione and Municipality of Palermo) jointly and severally to reimburse Securitifleet of the costs of the proceedings, which were assessed at 2 450€, plus accessory legal expenses.	***Risk*** **452 481,96€** ***Provision*** No ***Next step*** We've contacted the defendants on behalf of Securitifleet in order to ask for the payment of the legal expenses as stated in the judgement.

Administrative penalties for traffic violations	**Italy**
● ***Ground and Summary*** Judicial Authority: Giudice di Pace di Bolzano (Italian Civil Judge of First Degree) Proceeding number 4886/2022 Value: 397 717,61€ Object: the proceeding regards the appeal on behalf of Securitifleet S.p.A. of several bills notified by Agenzia delle Entrate - Riscossione (Italian Credit Collector Authority) based on administrative penalties for traffic violations in different Municipalities. In this specific proceeding, the appeal involves the challenge of the following bills: NPA 475 476 477 478 479 480 482 483. Status: On March 8 hearing, the Judge upheld the suspension of the appealed injunctions and adjourned the proceeding to a new hearing on April 19, 2023 allowing the parties to file new written statements.	● ***Risk*** **397 717,61 €** ● ***Provision*** No ● ***Next step*** next hearing on April 19, 2023

Administrative penalties for traffic violations	**Italy**
• ***Ground and Summary*** Judicial Authority: Giudice di Pace di Bolzano Value: 403 361,64€ Object: the proceeding regards the appeal on behalf of Securitifleet S.p.A. of several bills notified by Agenzia delle Entrate (Italian Credit Collector Authority) based on administrative penalties for traffic violations. In this specific proceeding, the appeal involves the challenge of the following bills: NPA 488, 492, 493, 496, 497, 498, 499, 500, 501.	• ***Risk*** **403 361,64 €** • ***Provision*** No • ***Next step*** next hearing on July 19, 2023

Administrative penalties for traffic violations	**Italy**
• ***Ground and Summary*** Judicial Authority: Giudice di Pace di Bolzano (Italian Civil Judge of First Degree) Value: 282 876,68€ Object: the proceeding regards the appeal on behalf of Goldcar Italy S.r.l. of several tax bills notified by Agenzia delle Entrate - Riscossione (Italian Credit Collector Authority) based on administrative penalties for traffic violations. Status: We've filed the appeal; we're waiting to receive the number of the proceeding and the schedule of the first hearing.	• ***Risk*** **282 876,68 €** • ***Provision*** No • ***Next step*** waiting for the hearing to be scheduled.

ANTITRUST (CV 230) - TAR LAZIO (REPUTATIONAL RISK).Admin fee for traffic fine.	**Italy**
• ***Ground and Summary*** Judicial Authority: TAR Lazio (Italian Administrative Judge of First Degree) Proceeding number: 12691/2022 Object: annulment of order no. 30252, adopted at the outcome of the meeting of 07/19/2022, closing the proceedings cv230 involving vexatious clause regarding the administration fees for traffic fines; Status: the appeal has been lodged. First hearing scheduled for February 2023.	• ***Risk*** Not defined • ***Provision*** No • ***Next step*** First hearing scheduled for Q1 2023 by the TAR LAZIO

ANTITRUST- Consumer protection law	**Italy**
• ***Ground and Summary*** Judicial Authority: TAR Lazio (Italian Administrative Judge of First Degree) Proceeding number: 130/2020 Value: 3.400.000€ (already paid by Goldcar). Object: annulment of order no. 27959/2019 - imposition of administrative fine for violation of art. 27, co. 12, of the consumer code. Status: the appeal has been lodged. We're waiting for the hearing to be scheduled by the Court	• ***Risk*** 3.400.000€ (already paid by Goldcar). • ***Provision*** No • ***Next step*** waiting for hearing to be scheduled by the TAR LAZIO

ANTITRUST - Admin fee for traffic fines	**Italy**
• ***Ground and Summary*** Judicial Authority: TAR Lazio (Italian Administrative Judge of First Degree) Proceeding number: 7262/2022 Object: annulment of order no. 30175 adopted at the outcome of the meeting of 24.05.2022 to close the proceedings no. CV229 involving vexatious clause regarding the administration fees for traffic fines; Status: the appeal has been lodged. First hearing scheduled for Q1 2023.	• ***Risk*** Not defined • ***Provision*** No • ***Next step*** First hearing scheduled for Q1 2023

4.8 . Plan of vigilance (art. L.225-102-4 French Commercial code)

In 2022, Europcar Mobility Group has implemented a number of measures aimed at significantly increasing the maturity of its duty of care compliance system, namely:

● **Carrying out a diagnostic of the maturity of its duty of care system**: Europcar Mobility Group had the level of maturity of its duty of care compliance system assessed by listing all the policies, procedures and controls deployed within the Group in this area;

● **Definition of a new methodology for mapping risks related to the duty of care**: a new methodology for mapping risks related to the duty of care, in line with the Group's risk assessment methodology, has been formalized in order to enable a more granular assessment of the risks of serious harm involved in the Group's business and thus to enable better management of the duty of care within the Group.

● **Updating the mapping of risks related to the duty of care**: the exercise to update the mapping of risks related to the duty of care was carried out at Group level by involving all stakeholders (internal and external). Europcar Mobility Group identified and involved key external stakeholders in order to involve them in the mapping exercise This approach enabled it to gain a more detailed understanding of the issues related to its business sector and to measure in concrete terms the expectations of the Group's stakeholders.

5. SHAREHOLDING

5.1. Shareholding (31 december 2022)

	Shares	% of share capital	Voting rights	% of voting rights
GREEN MOBILITY HOLDING SA	5 006 993 062	99,8276%	5 006 993 062	99,9981%
EUROPCAR MOBILITY GROUP SA	8 552 323	0,1705%	8 552 323	0,0000%
FCPE	-	0,0000%	-	0,0000%
Others	94 696	0,0019%	94 696	0,0019%
TOTAL	**5 015 640 081**	**100,00%**	**5 015 640 081**	**100,00%**

5.2. Status of employee's shareholding in the share capital

In accordance with the provisions of article L. 225-102 of the French Commercial Code, we inform you that the employee shareholding in the Company's share capital as of December 31, 2022 is non-significant.

5.3. Share buyback program

In accordance with the provisions of article L.225-211 of the French Commercial Code, we inform you that, during fiscal year 2022, 0 share has been bought and 0 share has been sold under the liquidity contract dated January 24, 2019 for the purposes of market making entered into with Rothschild Martin Maurel. Consequently to the delisting of the Company, the liquidity contract has been closed.

6. STATEMENT OF NON-FINANCIAL PERFORMANCE

The Corporate Social Responsibility Report and Reports by the independent third party are presented in separate papers duly available.

CONCORDANCE TABLE WITH THE MANAGEMENT REPORT

Concordance table below presents the identification of information contained in the Management report draws up by the Management Board in compliance with the Art. L 225-100 and seq. of the French Commercial Code.

Information	Management report 2022
Situation of the Company and the Group during the past financial year	Chapter 1
Foreseeable evolution for the Company and the Group	2.8
Important events that occurred between the date of the closing of the financial year and the date on which the report is drawn up of the Company and the Group	1.2
Research and development activities of the Company and the Group	1.3
Existing branches *(succursales)*	Non applicable
An objective and comprehensive analysis of the development of the Company and the Group's business, results and financial position, including its debt position, in relation to the volume and complexity of the business	Chapter 1 Chapter 3
For an understanding of the development of the Company and the Group's business, results or position, key performance indicators of a financial nature and, where appropriate, of a non-financial nature relating to the specific activity of the company, including information relating to environmental and personnel matters	Chapter 2 Chapter 6
A description of the principal risks and uncertainties facing the Company and the Group	Chapter 4
Where relevant to the assessment of its assets, liabilities, financial position and profit or loss, information about its objectives and policies for hedging each major class of anticipated transactions for which hedge accounting is used, and its exposure to price, credit, liquidity and cash flow risks. This information shall include the undertaking's use of financial instruments.	Chapter 2 Chapter 3
Statement of employees' shareholdings in the Company's capital as of the last day of the fiscal year, and establishes the proportion of the capital represented by the shares held by the company's employees and by the employees of related companies	5.1
Activity and results of the Company's subsidiaries and controlled companies	1.4.1
Acquisition of significant shareholdings in companies based in France or the acquisition of control of such companies	1.4.2 + 1.4.3
Disposal of shares in order to regularize cross-shareholdings	Non applicable
Distribution of share capital and treasury shares	Chapter 5
Non-financial performance statement + Independent third-party report (CSR Report)	Chapter 6
Dividend distribution over the last three fiscal years	2.5
Amount of loans with a term of less than three years granted by the Company as an accessory to its main activity to micro-enterprises or "PME" (Small and Medium Enterprise) with which it has justifiable economic links if the company has an auditor	Non applicable
Share buy-back	5.3

Information	Management report 2022
Elements of calculation and result of the adjustment of the bases of conversion and of the conditions of subscription or exercise of the securities giving access to the capital or of the options of subscription or purchase of shares	Referred to Governance report
Financial penalties for anti-competitive practices imposed by the French Competition Authority and which the latter has ordered to be disclosed in the management report as an additional penalty	Non applicable
Information on Payment terms of suppliers and customers	2.7
Vigilance Plan and the report on its effective implementation	4.8
Table of results for the last five fiscal years	2.4
Disclosure of fees and expenditure excluded from deductible expenses for the corporate tax base	2.6