

STANDARD MOTOR PRODUCTS, INC.

GROUP TAX POLICY (UNITED KINGDOM)

This document outlines Standard Motor Products, Inc. & Subsidiaries' (The SMP Group) tax policy in conducting its business dealings and approach to tax risks. The SMP Group's tax strategy is overseen by the Group's Chief Tax Officer who has day-to-day responsibility with ultimate executive responsibility resting with the Chief Financial Officer. This tax policy is being published on The SMP Group's website and is subject to periodic review and amendments. This document is approved by management, is effective for the tax year ending December 31, 2017, and satisfies The SMP Group's filing responsibilities under the UK Schedule 19 of the Finance Act 2016.

SMP Group Tax Policy:

- We are committed to compliance with all laws, regulations, reporting and disclosures
- We provide for an overall tax strategy which is consistent with the group's core values and its dealings with tax risks
- We actively identify, evaluate, and monitor for potential tax risks by exercising professional due diligence
- The SMP group employs transparent relationships with various tax authorities. It's objective is to foster constructive relationships based upon mutual trust
- While the company strives to minimize its tax costs and optimize returns to its shareholders, this objective is always achieved through strict adherence with tax laws, rules, and regulations. All of this is accomplished within the basic framework of keeping tax risks minimized
- Our global transfer pricing policy is based on the arm's length principle as supported by economic analysis and formal documentation of the commercial nature of the transaction
- Where adverse tax consequences result from uncertain tax positions, due to interpretations of tax law, The SMP group consults third party professionals and seeks written advice so that potential tax risks are mitigated

UK Tax Policy:

The SMP Group's UK policy follows the guidelines published by Her Majesty's Revenue & Customs (HMRC) draft Framework for Corporate Compliance between large businesses in the UK and the HMRC. Although The SMP Group is a large business as defined by the OECD, under Country-by-Country rules, The SMP Group's activities in the UK are quite minimal. The SMP Group's Tax Policy in all jurisdictions is identical and commits to following these guidelines:

- Open dialog with HMRC relating to tax planning, strategy, and risks
- Professional and transparent relationships with HMRC
- Full reporting and disclosure in all tax matters
- Our global transfer pricing policies aligns with the OECD guidelines and the various jurisdictions in which SMP operates
- Respond to queries on a timely basis
- Resolve disagreements with HMRC by mutual agreement wherever possible