

# JCB GROUP TAX STRATEGY

The JCB Group's tax strategy, approved by the Board, aims to fulfil its compliance and disclosure obligations and ensure that the JCB Group accounts for and settles its tax liabilities. The JCB Group is committed to conducting its tax affairs in accordance with the relevant tax laws and practices in every jurisdiction in which it operates, as well as complying with international standards on taxation (e.g. OECD guidelines).

The tax affairs of the JCB Group are managed in line with group policies and procedures to ensure tax liabilities are accurately calculated. The JCB Group's commitment to paying its tax liabilities takes into account any incentives and reliefs that are made available by the relevant tax authorities.

The JCB Group considers the tax laws of the countries in which it operates when conducting its commercial activities. The JCB Group does not enter into artificial arrangements for the purposes of tax avoidance.

The JCB Group's tax risk management process is conducted by an in-house team of qualified tax professionals who monitor and manage tax risks on a real-time basis. Tax uncertainties are monitored, documented and reported to the Board on a regular basis. In the event of any material uncertainty or complexity in respect of any identified risks, external advice is obtained as a matter of course.

The JCB Group has a constructive and transparent relationship with all tax authorities, in particular His Majesty's Revenue & Customs (HMRC). Regular meetings with HMRC ensure that the JCB Group's business is better understood by the relevant officials. Material tax issues are communicated to tax authorities in real time so that early agreement and prompt resolution on any disputes can be reached.

The JCB Group pays a substantial amount of tax in the UK and in other countries in which it operates, through direct taxation and through the collection of employment taxes and social security contributions from its employees in its global operations. In addition, the JCB Group continues to develop supply chains in the countries in which it operates, which generates further tax revenues and contributes to wider economic growth.

The publication of this JCB Group tax strategy complies with the requirements under any of Paragraph 16(2), Paragraph 19(2) and Paragraph 22(2) of Schedule 19 of Finance Act 2016 for the year ended 31 December 2023.

