

# Tax strategy for the year ended 31 December 2020

## Overview

This document is prepared in accordance with Schedule 19 of the Finance Act 2016 and sets out the approach of Jungheinrich UK Holdings Ltd and its subsidiaries (the UK Group), to conducting its tax affairs and managing tax risks.

The Jungheinrich Group operates in the material handling equipment, warehousing and material flow engineering sectors. The Group in the UK is owned and controlled by its ultimate parent company situated in Hamburg, Germany.

The Board of Directors considers the Group to be a responsible taxpayer and is committed to ensuring compliance with applicable laws and regulations whilst maintaining an open and honest relationship with tax authorities. We believe that collecting and paying tax is an important contribution to the economies and societies in which we operate.

Due consideration is given to the Group's reputation, brand, and corporate and social responsibilities when considering tax risks and tax planning, as well as to the applicable legal and fiduciary duties of directors and employees of the Group.

## Tax planning

The Group's approach to tax planning is underpinned by its commercial, economic and strategic objectives. Our tax planning process enables us to effectively identify and manage tax risks that may arise as a result of our commercial activities. We do not undertake planning that is contrived or artificial and we endeavour to follow not only the letter of the law, but also what we understand to be the intention of relevant tax legislation.

External advice is sought in cases where additional expertise are required to adequately assess and mitigate tax risk and to support the decision making process.

## Governance and risk management

Overall responsibility for the tax strategy and management of tax risks sits with the Board of Directors in the UK. Day to day management of the Groups tax affairs is carried out within the Group's finance function, supported by a small team of appropriately qualified senior management personnel.

The Group's activities give rise to tax risks across a number of tax areas including:

- corporation tax
- employee tax
- value added tax
- customs duties.

Whilst tax risk can never be eliminated, the level of tax risk the Group is prepared to accept is minimal and the Board of Directors seeks to reduce tax risk as far as practicable.

The Group takes a risk based approach to ensuring compliance with tax laws and regulations. The Group actively seeks to identify, evaluate and monitor tax risks and implement appropriate processes to mitigate these risks to an acceptable level.

The Group maintains a zero tolerance approach to any criminal activity, including tax evasion, fraud, or any financial crime. These risks are controlled through the Group's framework of policies and procedures. Employees are regularly trained on these topics to ensure awareness of these risks and how they should be managed. Operational and financial activities of the Group are carried out in accordance with a framework of documented policies and procedures to mitigate these risks as far as possible.

## Approach to dealing with tax authorities

The Group is committed to maintaining constructive, professional and transparent engagement with tax authorities, based on the concepts of integrity, collaboration and mutual trust. We endeavour to interpret tax law in a reasonable way and, where necessary, seek guidance from HMRC on complex tax positions insofar as they relate to our tax affairs.