

TAXATION POLICY

21 July 2025

RICARDO GROUP TAXATION POLICY

Ricardo's Tax Policy is hereby published in response to Finance Act 2016 s161 Schedule 19. This Policy applies for all financial years up to and including the year ending 30 June 2026.

Policy and Background

Ricardo is a global engineering and strategic, technical and environmental consultancy business, with an ambition to be the world's pre-eminent brand in the development and application of solutions to meet the challenges in the transportation, energy and scarce resource sectors, in the UK and globally. Ricardo operates in more than 20 countries throughout Europe, North America, Africa, the Middle East, and Asia. It contributes to those countries through the payment of Corporate and Payroll Taxes, Value Added and Sales Taxes, Customs Duties and other taxes and levies.

Ricardo's Tax Strategy is to support the business, our customers, shareholders and employees, and all other stakeholders including National and Regional Tax Authorities by operating in a tax efficient and tax compliant manner within the spirit of the relevant tax legislation.

Group's Tax Risks

The Ricardo Group is exposed to tax risks in respect of its UK and global operations. The Group Tax Function maintains oversight of tax risks and ensures that the Group pays the right amount of tax globally, as required by local and UK tax legislation.

Our policy is to manage our obligations with all relevant tax laws, disclosure requirements and regulations. We seek to ensure that our approach to tax and the tax payments we make in all territories in which we have operations are fully consistent with local requirements, taking into account available tax reliefs and allowances, and are aligned with the Group's wider business strategy.

As our Group operates in countries with very different and fast changing tax legislations and interpretations, we monitor, adjust and improve our tax compliance accordingly. We identify, disclose and proactively address any compliance gap or error that could happen, or adjustments that could arise upon tax audits and settlements.

Ricardo's tax strategy and the management of tax risk is primarily the responsibility of the Chief Financial Officer and the Group Head of Tax who work to ensure responsible tax practices are maintained across the Group's businesses.

Attitude to Planning and General Approach

All transactions undertaken have a business purpose or commercial rationale. We do not use offshore entities that lack business purpose and substance. International expansion is driven either through acquisition or by responding to commercial opportunities in overseas markets. We do not use hybrid instruments and entities that might constitute arrangements for the avoidance of tax.

Transactions between Ricardo subsidiaries are conducted on an arms-length basis in accordance with appropriate transfer pricing rules and OECD principles. This ensures that the Group's global profits are taxed where economic activities are performed and where value is created.

The Group aims for certainty on tax positions it adopts but where tax law is unclear or subject to interpretation, written advice or confirmation would be sought from advisors as appropriate to ensure, on the balance of probabilities, that the position adopted complies with relevant legislation or where there is an element of uncertainty would, more likely than not, be settled in line with its approach and interpretation. The position adopted will also be assessed regarding the financial return, potential reputational risk and financial risk, as well as the duty of the directors under UK statute to ensure that they prevent the facilitation of tax evasion.

External tax advice will also be sought in the UK and particularly in overseas territories where the Group requires more detailed expertise that it can source internally. This will typically be on routine compliance matters.

The motivation for obtaining tax advice is to reduce tax risks, ensure compliance with local regulations, whilst operating efficiently and ethically, making the most of local statutory incentives. All tax planning or changes to tax compliance arrangements are reviewed by the Group Tax Function and members of the Plc board.

Responsibilities and Professional Conduct

Those professionals engaged with tax matters on behalf of any Ricardo company will aim to:

- Observe all applicable laws, rules, regulations and disclosure requirements
- Apply diligent professional care and judgment to arrive at well-reasoned conclusions
- Seek to prevent the facilitation of tax evasion
- Ensure all decisions are taken at an appropriate level and supported with documentation that evidences the facts, conclusions and risks involved
- Obtain certainty on tax positions it adopts but where tax law is unclear or subject to interpretation, written advice or confirmation will be sought as appropriate to ensure that its position would, more likely than not, be settled in the Group's favour
- Develop and foster good working relationships with tax authorities, government bodies and other related third parties
- Undertake all dealings with tax authorities, government officials, ministers and other third parties in a professional, courteous and timely manner
- Be compliant with all anti-bribery, anti-fraud and ethical legislation

Governance and Management of Tax Risk

The Board of Ricardo plc approves the Group's Tax Strategy, and monitors compliance. It delegates authority to execute against this policy framework to the Group CFO (also the Senior Accounting Officer), who with assistance from the Group Head of Tax, the Audit Committee, and the Internal Audit team are considered to be the supervisory team for all Group tax activities.

Working with HMRC and Other Tax Authorities

We seek to develop good, open working relationships with tax authorities and to engage with them proactively, recognising that tax legislation can be complex and may be subject to differing interpretations. In instances where this might arise, we seek to engage with the relevant tax authorities in open discussion of any such differences as early as possible to remove uncertainty and obtain resolution.

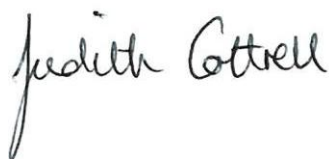
We manage and report our tax affairs in a manner which ensures compliance with all fiscal obligations and is consistent with international best practice guidelines, such as Double Tax Treaties, International Accounting Standards, and the Organisation for Economic Co-operation and Development ('OECD') Guidelines for Multinational Enterprises.

The Group will continue to strive to comply with all tax regulations in all countries in which it operates. It will seek to submit all returns by their due dates and in line with local tax law.

All material positions taken in the tax returns will be supported in terms of documentation, legal interpretation and in compliance with the operating principle above. Local finance controllers and directors will seek approval from the Group Tax Function before amending any such positions.

The Tax Function will pro-actively engage with the tax authorities to ensure all matters are treated appropriately. In its dealings with tax authorities, the Tax Function behaviour will be consistent with our values of openness, honesty, and transparency.

The Tax Function will monitor changes in relevant tax law and practice in order to assess any consequences for the group, ensuring compliance and minimising any adverse impact.

A handwritten signature in black ink, reading 'Judith Cottrell'.

Judith Cottrell (Chief Financial Officer)

21 July 2025