



## Cobham Tax Strategy

### **1. Introduction**

This document was approved for publication by the board of directors of Cobham Limited ("Cobham") on 7th July 2022 and relates to the financial years 2022 to 2024. It sets out Cobham Limited's tax policy and arrangements, how the company manages tax risks and its relationships with the global tax authorities. It has been prepared and published in the UK in accordance with UK Finance Act 2016 Schedule 19.

### **2. Cobham's core principles**

- 1) to pay the correct amount of tax on time, in line with the legislation, and
- 2) to co-operate with tax authorities on an open and honest basis.

More detail on these principles is covered below.

### **3. Governance and Management of Tax**

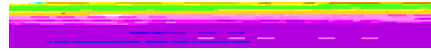
Cobham has a structure of governance appropriate to the nature and scale of its and its group's operations in the UK and internationally. This structure is made up of:

- 1) A board of directors, which is responsible for setting the tax strategy;
- 2) A treasury committee, which reviews and monitors the effectiveness of tax matters;
- 3) The Chief Financial Officer; who has executive responsibility for tax;
- 4) Finance teams, supported by the Head of Tax, which are responsible for the filing of all tax returns; and
- 5) The Head of Tax is part of the central finance function that reports to the Chief Financial Officer. That role is filled by someone who is appropriately experienced and engaged with appropriate professional qualifications and experience commensurate with the responsibilities of that role.

Cobham is committed to providing finance team members with training as required to facilitate performance of their roles, which they are required to fulfil in accordance with Cobham's core principles. Cobham has designed its systems and processes to ensure that all returns are filed and all due taxes are paid on a timely basis.

### **4. Appetite for risk**

Given the scale of Cobham's business and volume of tax obligations, risks will inevitably arise from time to time in relation to Cobham's interpretation of tax law and nature of our compliance arrangements. We proactively seek to identify, evaluate, manage and monitor these risks to ensure that they remain in line with the Cobham's tax risk appetite. Where there is significant uncertainty or complexity in relation to a risk, external professional advice is sought.



## 5 Cobham's attitude to tax planning and efficiency

Cobham reviews each significant transaction involving potential tax exposures with its advisers and structures its affairs in a way that seeks to legitimately optimise its tax liabilities but only in ways that naturally flow from the business transaction under review

Cobham is keen to maximise incentives (such as Research and Development tax credits) and will not engage in planning that is contrary to the clear intention of the legislation such as contrived, artificial or 'tax motivated' transactions. Cobham is careful to ensure it structures transactions efficiently such that all business areas are properly analysed including but not limited to contractual risk, foreign exchange risk and tax efficacy.