



Global Tax Strategy

Introduction

This document is published by Brown Topco Limited, the parent of a group of companies ("**Signature Aviation**" or "**Group**"), on 14 December 2022 and complies with its duty under paragraph 16(2) of Schedule 19 of Finance Act 2016 to publish a group tax strategy in the current financial year. Signature Aviation reviews the global tax strategy annually and any amendments are approved by the Board. This current strategy is effective for the year ending 31 December 2022.

Signature Aviation is a market leading, global aviation support and aftermarket services provider, primarily focused on servicing the Business and General Aviation market with operations in North America, Europe, South America, Caribbean, Africa, and Asia.

Signature Aviation is a values-led organization and of particular importance to our tax strategy is our commitment to:

- Integrity - We earn the trust and respect of our stakeholders with honesty, fairness, openness and by honouring our commitments and complying with our Code of Business Ethics and associated policies.
- Responsibility - We are committed to managing our impact on, and contributing positively to, society.

These values underpin the three key pillars of the Signature Aviation Tax Policy:

- To be a responsible taxpayer and act in a manner consistent with the Group's reputation and corporate social responsibilities;
- To maintain shareholder value, commercial competitiveness and serve the interests of all our stakeholders whilst ensuring compliance with all relevant tax legislation;
- To maximise certainty of the Group's tax position by maintaining an open and constructive relationship with tax authorities.

Our approach to risk management

Our values drive our policies, standards, and internal controls, which in turn, underpin our approach to risk management and help us to identify and manage the tax risks affecting our business. The risk management processes in place across our business are designed to improve the likelihood of delivering our business objectives, protect the interests of our shareholders and key stakeholders and enhance the quality of our decision-making through the awareness of risk-assessed outcomes. We evaluate on a continuous basis our tax risk procedures to ensure that they are reasonable bearing in mind the level and given the nature of tax risk.

Tax risk is considered as part of our broader business risk management processes. Our risk mitigation strategy and risk appetite are matters that are overseen by the Board, with the support of the Audit and Risk Committee, which manages the processes that underpin tax risk assessment and our systems of internal control. In particular, the Board has established a framework for assessing risk in the context of likelihood and impact on financial results, as well as the group's readiness to address such risks. Each risk is assessed against this framework, and the Board reassesses its risk appetite on an annual basis when risk maps are presented to the Audit and Risk Committee. The annual risk assessment process looks forward three years to create our risk profile. Any material tax risks are notified to the Audit and Risk Committee.

The Board and Audit and Risk Committee are ultimately responsible for our tax strategy. The group's Chief Financial Officer, who is responsible for tax matters, delegates the day-to-day implementation of the tax strategy to the Vice President of Tax, who is supported by the group tax and finance teams. Additional assistance from external advisors is sought when required.

Our tolerance for tax risk

We are committed to compliance with the tax laws and practices in the countries in which we operate (including the UK), and continuously monitor changes to tax legislation, ensuring that we take advice where appropriate from professional advisers.

Given the nature of our business and geographic footprint, it is inevitable that risks may arise with respect to the application of tax laws that are complex and uncertain at times. The level of tax risk that we accept is driven by our overarching values, corporate social responsibility, brand, and reputation. We routinely seek professional advice where the application of tax law to a material transaction or a given situation is reasonably unclear or uncertain, or where specialist knowledge is required. This is particularly relevant in relation to international tax matters.

Our attitude to tax planning

In supporting the commercial needs of the business, we may claim incentives and reliefs and make any other beneficial claims or elections (where available and legally permissible) to minimise the tax costs of our business activities. Where legally possible, we will seek to take positive steps to eliminate the risk of double taxation in different jurisdictions in respect of the same income.

Furthermore, we may engage in tax planning to structure our operations and finances in a tax efficient manner. All such tax planning reflects commercial and economic reality. We comply with all relevant laws, including the OECD arm's length standard in relation to transfer pricing.

Our relationship with tax authorities

We engage in an open, honest, and transparent manner with all tax authorities. We are in regular contact with our Customer Relationship Manager with respect to UK tax matters. We seek tax clearances and guidance from tax authorities when appropriate.

We understand that there might be instances where a tax authority's interpretation of tax legislation differs from our view. Only in the rare occasions that we cannot reach an agreement with a tax authority, and our position is supported by external advice (or if it is an industry-wide issue), we would be prepared to defend the issue in court, having first sought to resolve these differences through constructive dialogue and exhausted any and all administrative appeals with the relevant tax authority.