Introduction:

Operating alongside Governments and Institutions, citizens and communities, Armed Forces and Intelligence Agencies, Leonardo MW Ltd. designs and creates a wide range of products, systems, services and integrated solutions to respond to the needs of defence, protection and security in every possible scenario: air and land, naval and maritime, space and cyberspace.

The Company is committed to complying with tax laws in a responsible manner and our approach to tax is reinforced more generally by the Groups Charter of Values and Code of Ethics.

How we manage tax risks:

Tax risks are managed in the same way as any other business or financial risk and are incorporated in a wider risk management system as part of our internal control processes. This includes hiring and developing suitably qualified staff in our tax teams. As part of an Italian Listed Group, these overall control processes are reviewed according to the statutory requirements of Italian Law 262/2005.

Our attitude and approach to tax planning:

Tax planning is an extension of our routine business activities as it relates to normal commercial and economic activity. We do not engage in artificial tax arrangements or schemes where the sole or main purpose is a beneficial tax outcome. Where they exist then we may take advantage of tax incentives and exemptions implemented by governments and fiscal authorities, always seeking to implement them in the manner intended.

We seek to conduct transactions between Leonardo Group Companies on an arms-length basis and in accordance with current OECD principles.

Our appetite for tax risk:

Leonardo MW Ltd. seeks to pay the right amount of tax according to the business activities undertaken within the territories that it operates.

Where the wording of the law is subject to interpretation and the amounts of tax are material then we will work with well known, reputable, professional advisors, to ensure that the tax outcome is as intended by the relevant statutory body. The company’s main interest in relation to tax risk is to achieve early certainty as to the outcome rather than prolong tax disputes and the related uncertainty.

Our approach to working with HM Revenue & Customs:

We seek to proactively engage with HMRC, largely through our Customer Compliance Manager and team, and therefore build a transparent, sustainable relationship based upon mutual trust. We aim to meet with HMRC on a regular basis and work collaboratively wherever possible to resolve disputes and to achieve early agreement and certainty.

Governance:

The Finance Director (FD) of the Company owns and implements our approach to tax. The FD is responsible for ensuring that tax is resourced and managed appropriately, and for reporting to the Board of Directors.

This tax strategy document satisfies the requirements in Schedule 19 of the UK Finance Act 2016, in respect of our financial year ending 31 December 2019.

Version: December 2019