

Tax Strategy

This document outlines the most important aspects with respect to the tax strategy of the group of companies of OC Oerlikon Corporation AG, Pfäffikon, Switzerland (in the following “Oerlikon”). This document is prepared and published in accordance with Schedule 19 of the UK Finance Act 2016.

Tax governance

- The Chief Financial Officer (CFO) being member of the Executive Committee is responsible for all financial matters relating to the operational management of Oerlikon.
- Oerlikon’s Tax team is staffed with qualified tax professionals and is responsible for the support of the Group companies.
- Oerlikon’s tax strategy is based on the Code of Conduct according to which the business decisions are executed in a compliant and tax efficient way.

Tax risk management

- Oerlikon commits to prepare tax returns in a timely fashion and in line with the tax laws of the specific countries and to make all tax payments in time.
- Oerlikon reports and discloses tax positions in accordance with applicable regulations and requirements.
- Oerlikon follows arm’s length principle and complies with local laws and regulations for pricing of intercompany transactions.
- The Oerlikon Group Companies maintain contemporaneous transfer pricing documentation.
- Oerlikon files Country by Country Report in Switzerland on voluntary basis as per fiscal year 2016.

Level of tax risk and tax planning

- Oerlikon does not engage in aggressive tax planning and does not use complex structures or offshore havens to minimize its tax liabilities.
- Oerlikon undertakes key business decisions taking into consideration tax costs and risks.
- Oerlikon engages external advisors when appropriate.

Dealings with tax authorities

- Oerlikon seeks to have a transparent relationship with the tax authorities in the countries in which it operates.
- Oerlikon is proactively requesting clarifications on the interpretations of tax laws when the tax position is uncertain.
- Oerlikon engages with local tax authorities into Advance Pricing Agreements to find amicable solutions for its key transfer pricing issues.
- Oerlikon engages in open and early dialogue with the tax authorities to discuss tax planning, strategy, risks and significant transactions.
- Tax audits are conducted in a supportive way and requested information is provided in a timely manner.

Published on 21.12.2017