



TAX STRATEGY 2023

This document applies to all entities in which Umicore NV/SA holds a majority of the voting rights or over which it otherwise exercises management control¹.

1. Approach to Tax Policy and Strategy

Umicore is a leading circular materials technology company with an extensive expertise in the fields of material science, chemistry and metallurgy. Our overriding goal of sustainable value creation is based on the ambition to develop, produce and recycle materials in a way that fulfils our mission: “materials for a better life”.

As a multinational corporation, Umicore believes it to be its corporate responsibility to pay its fair share of taxes in the countries where it operates. Umicore has a strong commitment to compliance and accountability. We take our obligations to comply with the laws and regulations of all the countries where we operate seriously. We aim for this to be embodied in the mindset of all our employees to underpin the way we do business with each other and with our external stakeholders. Our stakeholders include our shareholders, employees, customers, suppliers, joint venture partners, the various governments of the countries in which we operate, and the public as a whole. The tax policies and strategy of our Company are specifically formulated to reflect this mindset.

Our tax policy is to ensure that we apply clear and transparent tax compliance and reporting processes directed at collecting, paying and reporting all taxes relevant to our operations in all countries in which we operate in an accurate and timely manner.

2. Responsible Taxation

Umicore conducts business in more than 30 countries. Our business is structured in locations that are relevant to our business needs. We pay tax each year in the jurisdictions in which we operate, including taxes on business profits, withholding taxes, employment, property and other indirect taxes such as VAT, sales and customs and excise taxes.

3. Tax Risk Management

We recognize tax laws are constantly and rapidly changing across the world. As such, we can be exposed to tax uncertainties in any of the countries in which we do business. Our philosophy is to manage this risk in compliance with the law and in the best long-term interest of our stakeholders. We take into account not only the financial impact, but also our reputation and impact on society ensuring that we comply with the intention of all such tax laws and recognizing the associated changes thereto as they occur. We pay the amount of tax owed to each country in which we operate. This is key to our overall approach to tax risk. Given the geographical spread and size of our business, we experience regular audits in many of the jurisdictions in which we operate. We aim to resolve each audit in a professional and transparent manner, clarifying our position to give additional certainty for ongoing compliance. Our tax training programs are developed to cover tax issues arising not only in our day to day operations, but also in more exceptional situations, such as mergers and acquisitions where we engage in thorough due diligence and systematically rectify any identified issues as required.

In a fast changing regulatory environment, Umicore aims to optimize its internal controls with an up-to-date Tax Control Framework (TCF).

A TCF underpins the management of tax risks and tax compliance through well-defined controls and roles and responsibilities in different areas of taxation (including corporate tax, indirect tax, withholding tax, transfer pricing and tax reporting) as well as the management of changes in business activity, master data and customer/supplier relationships.

4. Roles and Responsibilities/Governance

Our tax approach is closely aligned with our business strategy and processes. We seek to manage our tax affairs in a proactive and professional manner. Umicore employs highly trained tax and finance professionals located around the globe. Those experts are supported by centralized compliance and reporting teams committed to protecting sustainable value creation in the long-term, while minimizing overall risk and ensuring compliance across the various jurisdictions in which we operate. We also regularly draw upon the expertise of external professional service providers to provide support in respect of any technical or tax compliance issues as appropriate, and to ensure that our financial teams are kept abreast of all relevant tax laws and regulations, which are constantly changing. We believe that having a strong decentralized business organization, operating under clear centrally enforced policies and guidelines, ensures that we are focused on the variety of tax regulations with which our businesses need to be compliant. Our centralized policies are supplemented by training and compliance programs, which are applied consistently throughout Umicore. Our tax strategy is set by the Supervisory Board, with the tax policies formulated and applied under the purview of the Management Board and under the primary accountability of the Vice-President Tax. Our tax strategies and policies are subject to regular review.

5. Approach to Tax Authorities

We believe that building strong, cooperative and mutually respectful relationships with the tax authorities based on transparency and trust, produces sustainable long-term tax outcomes. As a matter of course we engage in open dialogue and ongoing regular communication with tax authorities.

6. Tax Planning / Incentives

Our approach to tax planning is consistent and aligned to the underlying business processes and organizational structure. We do not adopt tax planning which may be viewed as artificial or inconsistent with the underlying business processes and organizational structures. Where there may be uncertainty, we aim to be fully transparent with the relevant tax authorities, and seek where appropriate advance agreements or rulings on relevant matters of intercompany pricing and business restructuring. We are fully cooperative with any enquiry from the relevant tax authorities.

Umicore participates in government sponsored tax incentives, where appropriate and in line with its substantive business activities, and in full compliance with the relevant regulatory framework.

7. Tax Reporting

Umicore is required to comply with the requirements of IFRS².

¹ For UK entities, published in accordance with paragraph 19 of Schedule 19 Finance Act 2016 and in accordance with paragraph 22 of Schedule 19 Finance Act 2016 in respect of the following companies: Umicore Coating Service Ltd; UMS UK Ltd; and Todini UK Ltd. For UK regulatory purposes, it is specified that this tax strategy relates to the financial year ending on 31 December 2023.

² In the UK, Umicore also complies with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), FRS 102-The Financial Reporting Standard applicable in the UK and Republic of Ireland or in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

For inquiries and additional information, please contact

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