

O-I UK Tax Strategy

BACKGROUND

O-I believes to conduct the business in an honest and ethical manner. Our Values, as indicated in the Annex, outline the standards and behaviours that O-I upholds as a Company. By living such Values we can maintain the highest ethical standards in the conduct of our business affairs.

The following document sets out O-I Group's tax strategy, underpinned by its tax operating principles and guidelines.

UK tax strategy is set by the Global Head of Tax, EU Tax Director and It is approved by the O-I Glass Limited Board of Directors. They will jointly monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. In particular, they will ensure that the annual requirement to re-publish this strategy is adhered to.

SPECIFIC HMRC REQUIREMENTS FOR A PUBLISHED TAX STRATEGY

The Finance Act 2016 requires the published tax strategy of a business to cover four specific requirements:

- i) The approach to risk management and governance arrangements in relation to UK taxation.
- ii) The attitude of the group towards tax planning (so far as affecting UK taxation).
- iii) The level of risk in relation to UK taxation that the group is prepared to accept
- iv) The approach of the group towards its dealings with HMRC.

O-I considers that the above items are all satisfactorily addressed in this published tax strategy and therefore that this document is compliant with the requirements of the Finance Act 2016 in respect of the year ended 31 December 2022.

THE APPROACH TO RISK MANAGEMENT AND GOVERNANCE ARRANGEMENTS IN RELATION TO UK TAXATION

1 – Governance

Responsibility for the tax strategy, the supporting governance framework and management of tax risk ultimately sits with the Global Head of Tax. Day-to-day responsibility for each of these areas sits with the European Tax Director.

2 - Tax risk management

O-I operates presently in 19 countries and is exposed to a variety of tax risks as follow:

- Tax compliance and reporting risk:
Risks associated with compliance failures such as submission of late or inaccurate returns, the failure to submit claims and elections on time or where systems and processes are not sufficiently robust to support tax compliance and reporting requirements.

- Transactional risks:
Risks associated with undertaking transactions without appropriate consideration of the potential tax consequences or where advice taken is not correctly implemented.

- Reputational risks:
Non-financial tax risks that may have an impact on the firm's relationships with shareholders, clients, tax authorities and the general public.
O-I aims to manage tax risk in a similar way to any area of operational risk across the Group. The business is supported by oversight functions, including Group Tax, Group Risk and Group Internal Audit.
Where appropriate, the Company looks to engage with tax authorities to disclose and resolve issues, risks and uncertain tax positions. The subjective nature of global tax legislation means that it is often not possible to mitigate all known tax risks. As a result, at any given time, the Group may be exposed to financial and reputational risks arising from its tax affairs.

THE ATTITUDE OF THE GROUP TOWARDS TAX PLANNING (SO FAR AS AFFECTING UK TAXATION)

O-I recognises it has a responsibility to pay an appropriate amount of tax in each of the principal jurisdictions in which it operates. O-I aims to balance this with its responsibility to its shareholders to structure its affairs in an efficient manner.

The commercial needs of the Group are paramount, and all tax planning must have a business purpose. The economic benefits associated with tax planning must never override compliance with all applicable laws. Group Tax will ensure that tax arrangements are simple, well-understood and based on soundly researched techniques.

Occasionally, advice may be sought from external advisors. This will only be the case when the EU Tax Director considers that there is not the required experience within the tax team to adequately address the issue, or that the issue is sufficiently complex to warrant corroboration by an independent third party. The EU Tax Director will be solely responsible for any such appointments and shall have in mind any restrictions imposed under UK law on the use of the UK external auditor, or under EU law on the use of the joint external auditors of O-I.

Since 2019 O-I Glass Limited started to operate as one integrated entity with responsibility for Sales & Distribution as well as Manufacturing activities. In this respect O-I Europe (Switzerland) continues to oversee and coordinate the European operations. As a consequence, O-I Glass Limited procures raw materials directly from suppliers and produce the goods in their own name and for their own account based on the strategical guidance provided by the Central Entrepreneur.

THE LEVEL OF RISK IN RELATION TO UK TAXATION THAT THE GROUP IS PREPARED TO ACCEPT

The acceptable nature of tax risk the Company is prepared to take is inextricably linked to the level of business risk the Company is prepared to take. In this regard, various factors will always be considered

including, but not limited to, the financial impact, the impact on corporate reputation / brand and the impact on relationships with external stakeholders.

From a purely tax perspective O-I would not look generally to carry out any transaction that we did not consider, based on experience, had a valid tax filing position and a 'more likely than not' likelihood of success.

THE APPROACH OF THE GROUP TOWARDS ITS DEALINGS WITH HMRC

O-I seeks to comply with its tax filing, tax reporting and tax payment obligations globally. Group tax is required to foster good relationships with HMRC.

OUR VALUES



SAFETY & WELLBEING

We intentionally prioritize and advocate for people's safety, health and wellbeing at work and at home.



DIVERSITY, EQUITY & INCLUSION

We are better when we reflect the world we serve, feel welcome, and have equal access to opportunities.



PASSION

We love glass, being present in people's lives, and being fearless and resilient to innovate and exceed performance for a more sustainable world.



ACCOUNTABILITY

We take ownership of our words, behaviors and decisions with integrity, engaging and empowering each other for a sustainable future.



AGILITY

We collaborate with trust, share our expertise, take risks and learn fast to act with speed, flexibility and focus to perform better as a team.