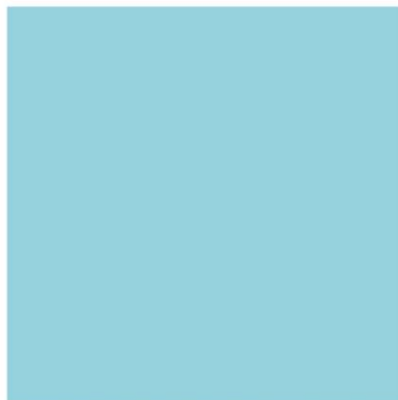


**Nykredit**



Totalkredit

**Sparinvest**



## Tax Management Policy

### **Nykredit's Tax Policy**

The Tax Policy applies to the entire Nykredit Group – both Danish and foreign activities – and implements relevant recommendations in this area.

### **Responsibility**

Nykredit keeps our knowledge of best practices up to date and wants to be transparent about our tax affairs, which implies that Nykredit should at all times be able to explain and defend our tax position.

Nykredit supports international initiatives aimed at promoting transparency, thereby underpinning the UN Sustainable Development Goals in the tax area.

By collaborating and communicating openly with the tax authorities, we seek to avoid unintended tax implications of transactions for Nykredit, and for our customers. In case of doubt, we will to the extent possible seek to obtain clarification, for instance through binding decisions and advance approval from the tax authorities, so as to mitigate the risk of errors.

Nykredit does not engage in aggressive tax planning, defined as exploitation of technicalities of tax legislation with the sole or primary purpose of deriving an otherwise unwarranted tax benefit for which there is no clear business justification. We do not consider it aggressive to use the options available under the relevant tax legislation in connection with actual business activity to obtain the most favourable of several positions or to avoid double taxation.

Due to the high complexity of tax legislation, Nykredit may, despite good and open communication, disagree with the tax authorities in specific situations. In such situations, Nykredit acknowledges that sometimes a dispute is best resolved through a court.

### **Active effort to combat tax evasion**

Nykredit's stance on tax evasion is clear: Nykredit will not support or participate in any activities which, to Nykredit's knowledge, involve tax evasion, or attempted tax evasion, nor will Nykredit set up or administer companies in tax havens as specified in the EU's and OECD's lists of non-cooperative jurisdictions.

We see prevention of the misuse of Nykredit for tax evasion as an essential part of our corporate responsibility, and we will use any necessary and proportional means to mitigate the risk of such misuse. Nykredit has adopted a Policy for the Prevention of Money Laundering – including tax evasion – Terrorist Financing and Breach of Financial Sanctions. For the purpose of this policy, business procedures have been established, specifying which customer relationships and activities fall outside Nykredit's risk appetite.

When Nykredit enters into customer relationships, we carry out thorough know-your-customer procedures and detailed internal checks of customer and shareholder structures, collecting the necessary information and documentation on the customer relationship. This helps reduce the risk that Nykredit is misused for tax evasion purposes.

### **Nykredit's tax affairs**

Nykredit's own tax affairs include corporation tax, VAT, payroll tax, wage earner taxes and other types of tax paid by the Group in Denmark as well as abroad.

As a matter of course, Nykredit pays our taxes in line with the letter and spirit of the law, and we see no contradiction in being a competitive business as well as a responsible taxpayer.

Generally, Nykredit's tax payments are made where the income is generated – which is mainly in Denmark. Nykredit has opted for international joint taxation.

**Nykredit's establishment and administration of investment entities**

As part of our activities, Nykredit sets up and administers investment entities to be offered to our customers. Even though these entities are not part of the Nykredit Group, they are treated for tax purposes as if they were and are subject to the policies and guidelines applicable to the Nykredit Group.

**The tax affairs of Nykredit's customers**

Nykredit's customer relationships are built on mutual trust, and we expect our customers to comply with current tax legislation. At the same time, we focus on monitoring transactions, taking action in case of discrepancies and reporting to the authorities in accordance with the tax and anti-money laundering legislation in force from time to time.

**Advice about tax matters**

Nykredit offers guidance and advice on tax matters in relation to the products and services which Nykredit offers to personal and business customers, eg pursuant to the rules on good business practice for financial undertakings. Our advice is of a general and consultative nature and includes information on the tax liability in Denmark related to Nykredit's products.

Our advisory services may include discussions of the tax implications of transactions contemplated or effected, for instance in relation to property finance, pension savings, other savings and investment, or succession planning.

Generally, we do not make tax calculations on behalf of our customers but recommend customers to consult their own tax adviser or the Danish tax authorities for further tax advice, for instance in the form of binding answers.

**Governance**

Nykredit's tax affairs are managed on the basis of our Tax Policy, which is approved by the respective Boards of Directors. The Tax Policy covers the entire Group and applies to Nykredit's tax affairs as well as to the products and services offered by Nykredit to our customers. Nykredit has set up internal processes in the tax area that help ensure compliance with applicable legislation, up-to-date knowledge of best practice and consistency with our Tax Policy.