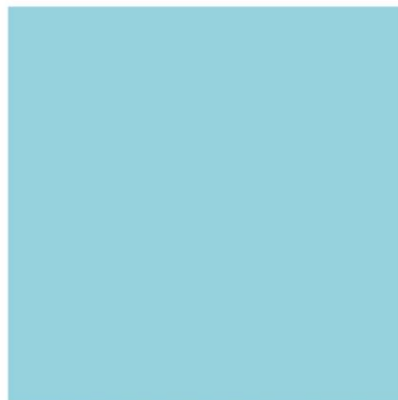


Nykredit



Totalkredit

Sparinvest



Fotograf: Brian Buchardt

Tax Management Policy

Nykredit's Tax Policy

This Tax Policy covers the entire Nykredit Group – both Danish and foreign activities – and implements relevant recommendations in this area.

Responsibility

Nykredit keeps our knowledge of best practice up to date and wants to be transparent about our tax matters, which implies, among other things, that Nykredit should at all times be able to explain and justify our Tax Policy.

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 approvals 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, for example, obtain the most favourable of several positions or to avoid double taxation.

Due to the very 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 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 (KYC) 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 matters

Nykredit's own tax matters include corporation tax, VAT, payroll tax, wage earner taxes and other types of tax paid by the Group in Denmark and 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 at source – 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 matters 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.

Tax advice

Nykredit offers guidance and advice on tax matters in relation to products and services offered to personal and business customers pursuant to, for example, the rules on good business practice for financial undertakings. Our advice is of a general and consultative nature and includes information on 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 matters 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 matters 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.