

NIBC TAX POSITION STATEMENT

April 2022

NIBC tax position statement

NIBC's tax position statement is based on the following principles.

Tax and society

NIBC acknowledges its place in society and, in this respect, aims to pay its fair share of tax taking into consideration the letter and the spirit of the law. We recognize that paying our share of tax in the countries that we operate in is part of our corporate social responsibility and is expected by our stakeholders.

NIBC aims to be transparent about our position on tax. Activities, products and transactions including their purposes should be reasonably explainable to our clients, tax authorities and the general public. Tax cannot be the only purpose for a product or transaction. This approach is applied through our internal policies and procedures.

Tax risk management

Tax risk is managed by a dedicated team of experienced in-house professionals focusing on taxation. Together with deal teams, they identify, monitor and actively follow-up on tax related matters.

To address the risk of fraud, NIBC has implemented a fraud prevention policy. This policy sets out the various controls designed to prevent, detect and investigate any suspicions of fraud, including illegal tax evasion, within NIBC and to ensure compliance with all relevant legal and regulatory requirements in these areas. The risks of internal and external tax fraud are included amongst the risks identified, assessed, responded to, monitored and reported according to NIBC's risk management framework.

Tax authorities

NIBC maintains a transparent and constructive relationship with tax authorities. NIBC has a 'horizontal monitoring' arrangement in place with the Dutch tax authorities, which is only available for companies that the Dutch tax authorities consider to be 'in control' of their tax function. This agreement defines the effort and actions to be taken by both parties, in relation to the proper interpretation of and compliance with tax law.

Where appropriate, NIBC seeks preliminary consultation with the tax authorities to obtain certainty about the tax aspects of a transaction. This is not only in the interest of NIBC and the tax authorities, but also provides reassurance to third party stakeholders such as investors and rating agencies.

Tax compliance and reporting

NIBC strives to operate in full compliance with applicable tax laws and regulations by filing its tax returns, submitting its tax reports and paying its taxes on time. In the reporting to the tax authorities both NIBC's own and its client's positions are included. The latter for instance in relation to FATCA, CRS and local legislation.

Tax and value creation

NIBC acknowledges that taxation is related to value creation, in NIBC's view tax follows business and not vice versa. Profits are reported for business activities in the countries where NIBC is active in proportion to their value creation. This is independent of the local tax rate in these countries. NIBC has offices in The Netherlands, Germany, Belgium and The United Kingdom.

Tax avoidance

NIBC does not offer, propose nor wishes to facilitate transactions or products that are aimed at aggressive tax optimisation or tax avoidance. In our view transactions should only be pursued if clients have commercially viable and verifiable reasons for entering into them. Tax avoidance is not considered to constitute such a reason.

Tax advice and trust services

NIBC does not provide tax advice nor does it provide trust services to its clients.