

# Diebold Nixdorf Tax Strategy for the UK

## Applicability of this statement:

The below statements apply to all UK entities that are part of the Diebold Nixdorf, Inc. group, including the following:

- Diebold Nixdorf (UK) Limited
- Diebold Nixdorf Banking Services Limited
- Diebold EMEA Processing Centre Limited
- Diebold Software Solutions (UK) Limited
- Diebold One Limited
- AEVI UK Limited

## Introduction

Diebold Nixdorf provides connected commerce services, software and technology to enable millions of transactions each day. The Company's Connected Commerce Strategy seeks to continually enhance the customers experience at banking or retail locations by integrating services, software, and systems.

Diebold Nixdorf is committed to conducting its business according to the highest governance and ethical standards. For over 150 years, this commitment has been at the very heart of Diebold Nixdorf, Inc., defining who we are wherever we transact business around the world.

The foundation of our corporate governance principles and practices are built on our reputation for openness, integrity and accountability. These are the principles that guide Diebold Nixdorf, Inc., and they are reflected in our ongoing commitment to sound corporate governance practices.

## Tax planning

We are committed to providing transparent information to tax administrations. At Diebold Nixdorf, we see the strict compliance with the legal framework set by tax legislators on a global basis as our primary aim.

In applying our tax strategy, we aim also to be compliant with recognized International Standards by applying Transfer Pricing policies which meet the arm's length standard. This approach is consistent across the Diebold Nixdorf group companies.

It is our primary objective to act in accordance with the respective tax laws in the countries we operate in, and as such, we are committed to complying with our tax obligations and maintaining good relationships with Global Tax Authorities including HM Revenue & Customs ("HMRC") in the UK. To do this we only engage in reasonable tax planning that is aligned with our commercial, economic and reputational goals and which at the same time are within the country tax laws as understood at the time.

## **Tax risk management and Governance**

Within Diebold Nixdorf, Tax is managed through the Senior Vice President & Chief Financial Officer and the Global Corporate Tax team. In the UK, Tax is managed on a day to day basis by the Finance team with support of the Regional and Global Tax Team.

Within the UK, Diebold Nixdorf operates through Diebold Nixdorf UK (“DN UK”). Its appetite for tax risk is low and we structure our affairs to be based on sound commercial principles and in accordance with relevant tax legislation. Where appropriate, external advice is sought to resolve any uncertainty in operating in accordance with UK Tax legislation.

In Diebold Nixdorf understanding, UK Taxation covers taxes and duties in the UK related to the following:

- All Corporate Income Taxes
- Indirect Taxes (including VAT, Stamp Duty Land Tax)
- Employment Taxes
- Other Applicable Taxes (Duties, etc.)

Processes related to each type of tax are defined and given to appropriately trained employees. Controls over those processes are regularly checked and enforced using our SOX audit process and Internal Audit. From time to time specialist tax advice is brought in to improve, reinforce, or carry out appropriate tax compliance activities. Diebold Nixdorf uses a risk-based approach to process control and our approach to testing and controlling processes are set within this framework.

As said, Diebold Nixdorf will aim to operate in accordance with Tax law. The Group utilizes tax reliefs and allowances available in the manner in which intended by HMRC and statute. There will, however, be circumstances where the Law may not be clearly defined, or where alternative approaches may result in differing tax outcomes. Diebold Nixdorf will use its best judgment in determining the appropriate course of action, using available reliefs and incentives where possible, liaising with professional advisors and HMRC where appropriate.

### **Attitude to risk**

Our attitude to risk is set out within our Code of Business Ethics as follows:

*Many governments have enacted unique laws, rules and regulations governing how organizations conduct business with them. It is Diebold Nixdorf's policy to comply with these requirements and to strictly adhere to all terms and conditions of any government contract.*

Diebold Nixdorf is committed to lawful as well as ethically and socially responsible conduct worldwide. For Diebold Nixdorf, responsible and lawful conduct is a prerequisite for quality business success and sustainable corporate development. The Board of Directors therefore regards compliance as a fundamental management task and has pledged in its compliance statement to respect the law, while expressly acknowledging the need for lawful, social and ethical conduct. This aim underpins our attitude to tax risks.

### **Working with HMRC**

It is the aim of DN UK to be transparent and proactive in all interactions with HMRC. We will work collaboratively wherever possible with fiscal authorities to resolve disputes and to achieve early agreement and certainty and we seek to work with HMRC so that errors are disclosed as soon as reasonably practicable after they have been identified.