

nuveen
REAL ESTATE

Tax Strategy

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Tax Strategy

Introduction

Nuveen Real Estate (“NRE” or “the Group”) is one of the largest real estate investment managers in the world, managing and advising on behalf of investors spanning both debt and equity across diverse geographies, sectors, investment styles and vehicle types, providing access to every aspect of real estate investing.

Our mission is to set the benchmark for investment excellence, client experience, geographical reach, sector and operational expertise.

This tax strategy applies to all entities within the Group.

Our Approach to Tax

The Group is committed to operating a business that complies fully with the tax law and regulations enacted in the jurisdictions in which it has a presence. Our aim is to operate in an open and transparent manner with all tax authorities and follow the intention as well as the letter of the law.

As a global business, NRE operates in 13 jurisdictions across Europe and Asia-Pacific, however all subsidiaries operate under a single governance and risk control framework and follow a common approach to tax compliance. The Group has in place a detailed, OECD compliant, transfer pricing policy to ensure that revenue is recognised in the country where the services are provided and key functions are undertaken.

Tax Strategy

The Group tax strategy is focussed on the following principles:

- Integrity in tax reporting;
- Proactive control and management of tax risks;
- Payment of the amount of tax legally due in accordance with the tax rules in the jurisdictions in which we operate;
- Compliance with the relevant tax rules, laws, regulations and disclosure obligations; and
- Approval of the strategy by the Board.

The Taxes We Pay

In each of our 13 locations, we make timely payments to the government in line with the activities occurring. These include corporate income taxes, employment related and employer social security taxes, business rates, value-added tax, withholding tax and transaction taxes where applicable.

Approach to Tax Risk Management & Governance

The management of tax risk is embedded within an enterprise wide risk management framework. The Group maintains a Risk Appetite Statement (“RAS”) which is approved annually by both the Risk Committee and the board. The RAS exists as part of a wider governance structure which seeks to define the risk parameters within which the Group strategy is executed. NRE has a low appetite for risk and the Group should not knowingly violate any rule or regulation to which NRE is subject.

The tax strategy is reviewed and approved by the Board on an annual basis.

The Group has internal expertise (Head of Tax, Head of Indirect Tax), who are responsible for the day to day tax affairs of the business. The Head of Tax meets weekly with the Chief Financial Officer and presents to the Board on at least an annual basis.

NRE also manages tax risk by engaging external firms to advise on specific tax matters as they arise, and to prepare and lodge a majority of the group’s corporation tax returns. NRE also engages with external advisors with reference to understanding changes in tax legislation to ensure that the Group remains up to date with current knowledge on current tax issues. This gives us confidence that our tax returns are correct and tax liabilities are calculated in accordance with the appropriate tax laws and regulations. Oversight of tax risks relating to transactional activities are the responsibility of the Head of Tax and CFO. In the event of any uncertainty as to tax treatment of specific items, the Group would seek external advice, and if necessary, consult with the relevant tax authorities to ensure correct treatment is applied.

Further to our tax obligations in the UK, we also engage external accounting and tax advisers in the other countries in which NRE operates. The Group believes that this helps mitigate international tax risk by having local expertise in each jurisdiction of operation.

Attitude towards Tax Planning

NRE recognises that tax is a highly complex area and therefore will often seek professional external tax advice on interpretation of tax rules or on tax planning and structuring advice. Where it is appropriate to do so, NRE claims available tax allowances / benefits provided by law. However, the group will only undertake tax planning in the context of wider business activities having an economic or commercial basis.

The company adopts a zero tolerance approach towards tax evasion.

Approach to Working with Tax Authorities

NRE aims to be transparent and proactive in all interactions with tax authorities. If we become aware of any omissions or misstatements in our tax filings we (or through our tax advisers) will communicate with the relevant tax authority and make the necessary corrections as soon as possible. In the event of an enquiry or audit by a tax authority, NRE would be fully co-operative and provide the relevant information in a timely manner in line with our tax strategy.

Important Information

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This tax strategy applies to the year ended 31/12/2018 and has been approved by the Board. It applies to the Nuveen Real Estate Group has been prepared in accordance with the requirements of the Finance Act 2016 16(2) for a UK Group.