

## **Nordgold UK Tax Strategy**

### **Introduction to Nordgold Group**

This strategy has been prepared by and published on behalf of Nord Gold SE and its group in accordance with Schedule 19 to the Finance Act 2016 ('Schedule 19'). It is regarded as complying with Nord Gold SE's duty under paragraph 16(2) of Schedule 19. This strategy applies from the date of publication until it is superseded.

The entities to which the strategy applies are identified below and references in the strategy to 'Nordgold' or 'the Group' are to all these entities.

References in this strategy to 'tax', 'taxation' and 'taxes' are to the taxes, duties and contributions set out in paragraph 15(1) of Schedule 19. They include income tax, corporation tax, pay as you earn ('PAYE'), diverted profits tax, national insurance contributions ('NIC'), value added tax ('VAT'), insurance premium tax, customs duty, excise duties, stamp duty reserve tax and stamp duty land tax.

### **Aim**

The purpose of this tax strategy is to communicate the policy for the management of tax within Nord Gold SE and the Group. The Group is fully committed to full compliance with all statutory obligations and full disclosure to relevant tax authorities. The Group's tax affairs are managed in a way which takes into account the Group's wider corporate reputation in line with Nordgold's overall high standards of governance.

### **Governance in relation to UK taxation**

- Ultimate responsibility for Nordgold's tax strategy and compliance rests with the Board of Nordgold.
- Executive management of the Group is performed by the executive directors, the Chief Executive Officer and the Chief Legal Officer.
- The Audit Committee's requirement to monitor the integrity of Nordgold's financial reporting system, internal controls and risk management framework, expressly includes those elements relating to taxation.
- The Chief Financial Officer ('CFO') has executive responsibility for tax matters.
- Management of Nordgold's tax affairs is delegated by the CFO to appropriately experienced staff, who consult as necessary with external advisors.
- The Board ensures that Nordgold's tax strategy is one of the factors considered in all investments and significant business decisions taken.
- The CFO reports to the Audit Committee and the Board on Nordgold's tax affairs and risks during the year.

### **Risk Management**

- Nordgold operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the group's financial reporting system.
- Nordgold seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect its compliance with its tax obligations.

- Processes relating to different taxes are allocated to appropriate process owners who carry out a review of activities and processes to identify key risks and to ensure mitigating controls are in place. These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required.
- Appropriate training is carried out for staff outside the tax team who manage or process matters which have tax implications.
- Advice is sought from external advisers where appropriate.

### **Attitude towards tax planning and level of risk**

- Nordgold manages risks to ensure compliance with legal requirements in a manner which ensures payment of the right amount of tax.
- When entering into commercial transactions, Nordgold seeks to take advantage of available tax incentives, reliefs and exemptions in line with, and in the spirit of, tax legislation. Nordgold does not undertake tax planning unrelated to such commercial transactions.
- The level of risk which Nordgold accepts in relation to UK taxation is consistent with its overall objective of achieving certainty in the Group's tax affairs. At all times Nordgold seeks to comply fully with its regulatory and other obligations and to act in a way which upholds its reputation as a responsible corporate citizen.
- In relation to any specific issue or transaction, the Board is ultimately responsible for identifying the risks, including tax risks, which need to be addressed and for determining what actions should be taken to manage those risks, having regard to the materiality of the amounts and obligations in question.

### **Relationship with HMRC**

- Nordgold desires a transparent and constructive relationship with HM Revenue and Customs ('HMRC').
- Nordgold wishes to ensure that HMRC is kept aware of significant transactions and developments in the business of the Group affecting UK taxation as well as to discuss any tax issues arising at an early stage.
- Nordgold is open to regularly meeting, communicating and cooperating with HMRC in respect of current, future and retrospective tax risks, events and interpretation of the law across all relevant taxes and duties, to facilitate a mutually beneficial relationship.
- When submitting tax computations and returns to HMRC, Nordgold discloses all relevant facts and identifies any transactions or issues where it considers that there is potential for the tax treatment to be uncertain.
- Nordgold ensures that any inadvertent errors in submissions made to HMRC are fully disclosed as soon as reasonably practicable after they are identified.

### **Strategy review**

Nordgold's tax strategy has been reviewed and approved by the Chief Financial Officer and Chief Legal Officer.

The strategy will be reviewed and updated on an annual basis.

This strategy is effective for the financial year ending 31 December 2020.

### **List of entities covered by this Tax Strategy**

This strategy applies to Nord Gold SE and its 'group' (as defined in paragraphs 6 and 17(5) of Schedule 19) and covers without limitation the following entities:

- Celtic Resources (Central Asia) Limited
- Celtic Resources Holding DAC
- Crew Gold Corporation
- Nord Gold (UK) Limited
- Nord Gold SE
- Opeloak Ltd