

ABP Tax Contribution Report

FY2024

Introduction

A good pension for our participants, which they can enjoy in a livable world. This is ABP's mission and the foundation for our overall operations, pension administration, management and investment activities. Taxation contributes to sound public finances and a stable society in which social facilities are available and with which people feel connected. We consider open and transparent communication to be an essential part of sustainable and responsible tax behavior.

We see our Tax Policy, in which we create frameworks on how to act in tax matters, as an integral element of our contribution to sustainability and a livable world. Our Tax Policy is adopted by our Board and is periodically recalibrated in response to changing laws and regulations, social developments and changing insights. In 2024, we started recalibrating our Tax Policy for the period 2025-2030.

Tax principles

As part of our Tax Policy, we have adopted eight tax principles that apply to our pension and asset management activities.

1. ABP aspires responsible tax behavior, for ourselves and for our investments.
2. ABP complies with tax laws and regulations.
3. ABP aspires responsible tax planning.
4. ABP aspires a good relationship with (tax)authorities.
5. ABP cooperates with other organizations.
6. ABP takes on an active role in the tax debate.
7. ABP is transparent about taxation.
8. ABP aspires increased tax transparency among the companies in our investment portfolio.

These principles are based on our vision of taxation, fiscally responsible and sustainable behavior, our Sustainable and Responsible Investment Policy and our broad social function and fiduciary obligation to our participants. For a more detailed overview, we refer to our Tax Policy on our website.

In our pension administration, our investment activities and our activities as an employer, we face a wide variety of taxes. As part of our Tax Policy, we have expressed the ambition to show our participants and stakeholders in a transparent manner the amount of tax we pay directly and indirectly in the various countries and to provide additional insight into the taxes that are indirectly borne by ABP. This year, we are publishing a Tax Contribution Report aimed at providing an initial insight. We distinguish between the taxes relating to the pension benefits paid to our participants, our investments and our own operations.

Taxes at ABP

As the largest pension fund in the Netherlands, ABP is responsible for the pensions of more than three million participants and invests more than €540 billion for its participants.. ABP outsources most of the activities relating to pension administration and the investment of pension funds to the pension services provider APG, in which ABP holds an interest of 92.16% (hereinafter: APG Participation). An overview of applicable taxes is given below. The taxes in connection with the operations of the APG Participation are included under the heading “own operations”.

Pension benefits	Investments	Own operations
<ul style="list-style-type: none"> • Payroll taxes on pension benefits Wage tax and social security contributions paid on pension benefits to ABP participants. 	<ul style="list-style-type: none"> • VAT VAT due by ABP in the context of its investments. <p><u>Capital markets</u></p> <ul style="list-style-type: none"> • Withholding taxes Dividend tax withheld from dividends from the liquid investment portfolio. • Stamp duty / transaction taxes * <p><u>Private markets</u></p> <ul style="list-style-type: none"> • Corporate income tax * • VAT * • Withholding taxes * • Stamp duty / transaction taxes * <p><small>* not part of 2024 reporting</small></p>	<ul style="list-style-type: none"> • Payroll taxes Wage tax and social security contributions paid on employees' salaries. • VAT VAT paid on services provided and non-recoverable VAT on purchased services. • Corporate income tax Corporate income tax payable in the Netherlands and other countries where APG Participation is operating.

Tax Contribution Report

In this first Tax Contribution Report, we provide insight into the payroll taxes on the pension payments to our participants, the dividend withholding taxes and other taxes relating to the capital markets investments and the taxes relating to our own operations and those of our APG Participation. For the years to come, we examine the possibilities of gradually expanding the reporting and thus also providing insight into stamp duties and transaction taxes levied on our capital markets investments and the taxes at the level of investment entities within our private market investments.

Pension benefits

ABP paid almost €16 billion in pensions in 2024. In the Netherlands, pension contributions paid and pension entitlements are tax-exempt and pension benefits are taxed. We are therefore obliged to withhold income tax and social security contributions on the pension benefits paid to our participants.

in € million	Total 2024	Total 2023
Pension benefits		
- wage tax and social security contributions paid ¹	4,533	4,257

Investments

ABP invests pension funds in line with the Sustainable and Responsible Investment Policy on a global basis in a diversified investment portfolio of both listed companies and non-listed companies in various market segments. In setting up the legal structure of the investments, double taxation is avoided as much as possible. This guarantees a responsible return for our pension participants.

The companies in which ABP invests are in principle subject to corporate tax. Foreign or domestic dividend tax may be withheld from distributions of profits in the form of dividends. Based on tax treaties, ABP, as a pension fund, is in many cases exempt from foreign dividend withholding tax (or partially exempt from such tax) or has the option of reclaiming all or part of this dividend withholding tax. The table below shows the dividend tax withheld from the Capital Markets investments at the expense of ABP, to the extent that there is no full or partial right to an exemption or a refund.

In addition, ABP also owes VAT on investment activities, for example on services that ABP purchases in connection with these investments. The VAT included in the table concerns the amount of VAT insofar as it is not recoverable for ABP.

in € million	Total 2024	Total 2023
Investments		
- withholding tax on capital market investments	161	160
- VAT due	17	10

Own operations

In its own operations, ABP, as well as the APG Participation², is faced with a variety of taxes. For example, wage tax is withheld on employees' salaries, we collect and pay VAT on certain services we provide and purchase, and the APG Participation pays corporate income tax in various countries on

¹ Taxes paid are amounts paid by ABP and the APG Participation to the tax authorities at the expense of pension participants, employees or other third parties. Taxes due are amounts borne by ABP and the APG Participation.

² "APG Participation" includes APG Groep N.V., APG Asset Management B.V., APG DWS & Fondsenbedrijf NV, APG Trading B.V., APG Asset Management US, Inc., APG Investments Asia Limited (Hong Kong) and APG Asset Management (Singapore) Pte. Ltd. The table includes the total figures of APG, ABP holds an interest in the APG Participation of 92.16%.

its profits from its own activities. As a Dutch pension fund, ABP is exempt from corporate income tax and is therefore itself not liable to corporate income tax.

in € million	Total 2024	Total 2023
Own operations (ABP and APG Participation)		
- wage tax and social security contributions paid ³	200	181
- corporate income tax due	3	3
- VAT due ⁴	74	60
- VAT paid	64	35

³ The APG Participations in Hong Kong and Singapore are not subject to payroll tax, but are subject to various social (insurance) contributions. Due to their small size, these foreign contributions are not included in the table. Employees do, however, pay income tax on their salary in the relevant countries.

⁴ The U.S. Sales Tax of the APG Participation in the United States is included under "VAT due". This does not include the Commercial Rent Tax and Metropolitan Transit Taxes paid in the U.S., a total amount of approximately €0.75 million.