



Title: - DB Policy changes to off-payroll labour taxation

Supplier reminder of Deutsche Bank's Policy regarding changes to the taxation of off-payroll labor effective from 6 April 2021

Changes to the taxation of off-payroll labor effective from 6 April 2021

As you will be aware, there has been an amendment to the tax laws in the UK that changed the way in which some individuals providing certain services via an "intermediary", such as a Personal Service Company, are taxed effective from the 6th April 2021. The rules in Chapter 10 of Part 2 to the Income Tax (Earnings and Pensions) Act 2003 that have been amended by Finance Act 2020 so as to apply to medium and large private sector organizations are referred to here by their common name, the "IR35" rules.

To minimise the potential impact of IR35, the Deutsche Bank group ("DB") has adopted a policy that DB will no longer engage with any workers who operate through any form of intermediary, such as a Personal Service Company, whether directly or through a 3rd party such as your organization.

Therefore, as communicated previously to meet DB's policy requirements please ensure that:

- you are not yourself a Personal Service Company or any other type of "intermediary" that provides services to DB in circumstances that trigger the IR35 rules; and
- all labor resources that you use for any Services provided to DB in the UK are either directly employed by you or your chosen subcontractor (who must not in themselves be an intermediary for the purposes of IR35) or otherwise engaged on a "PAYE" contract (being one where income tax and national insurance are deducted from payments of employment income being made to such individuals by an entity that is not an intermediary for the purposes of IR35).

This applies to any new agreements and also to existing arrangements. It is our expectation that you will comply with this policy requirement.

We will be performing periodic checks to ensure our suppliers are complying with the new requirements.

Please note our General Terms and Conditions of Purchase and Order have been updated to incorporate DB's position regarding IR35.

We thank you for your cooperation on this matter.