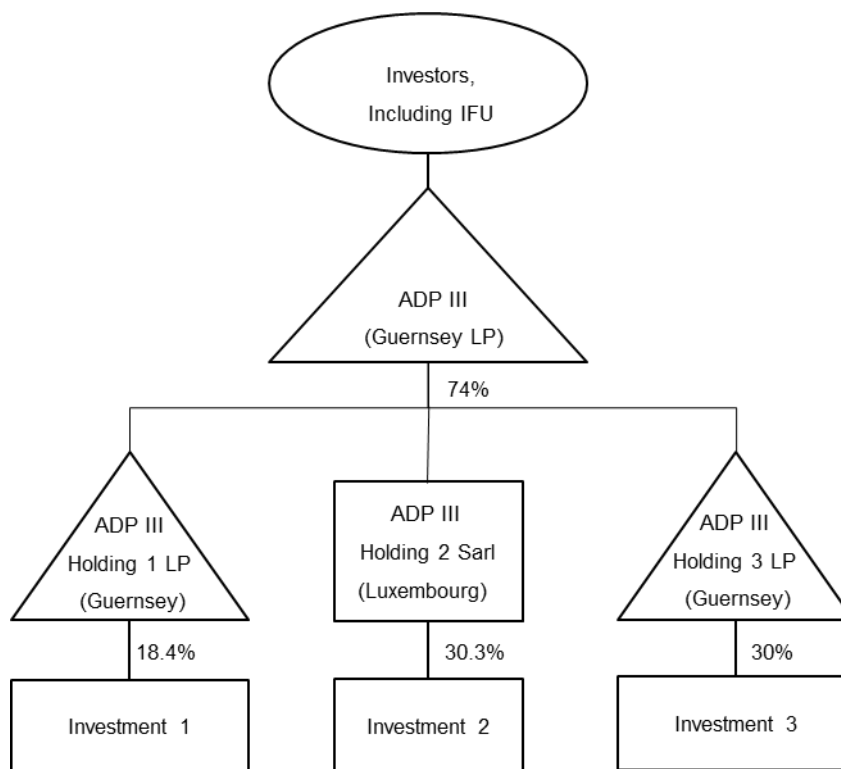


Tax policy compliance statement for African Development Partners III LP, Guernsey

1. Contemplated investment structure



IFU will be providing finance for a Pan-African investment platform named African Development Partners III (the Fund) targeting various sectors exposed to the growing middle class across Africa. IFU's investment is in common equity in a Guernsey tax transparent fund vehicle having delegated the investment advisory functions to a UK private equity advisor. The investments to be made by the Fund are in medium sized companies across Africa and most of the capital is anticipated to be deployed as equity or quasi equity.

2. Compliance with IFU's tax policy

The investment structure and the Fund's approach in respect of responsible tax behavior have been subject to due diligence and based on the facts and circumstances made available, TaxRoom is of the opinion that the investment structure and the Fund comply with IFU's tax policy for the following main reasons:

- The Fund structure established is usual and not tax motivated.
- The Fund is tax transparent from a Guernsey and Danish tax perspective and has no tax impact on the investments to be made or in respect of the investment return generated.
- The Fund complies with FATCA and CRS reporting obligations.
- The Fund will comply with IFU's tax policy in respect of restricted jurisdictions.
- The Fund will not participate in company structures created for facilitating profit shifting, creating an unbalanced tax situation, or are not in compliance with OECD BEPS if the OECD BEPS guidelines have been implemented in the relevant jurisdictions.
- The Fund is subject to a fit and proper tax policy being aligned with IFU's tax policy except for the undertaking to comply with OECD BEPS guidelines in respect of jurisdictions having not implemented these guidelines.
- IFU has been granted an excuse right for investments that are not OECD BEPS compliant in relation to jurisdictions not having implemented these guidelines.
- The portfolio companies being invested in by the Fund are in the outset local African companies operating locally and paying tax locally unless exempt from corporate income tax due to domestic legislation.
- Guernsey is not listed on EU's blacklist for non-cooperative jurisdictions and as per 19 June 2021 Guernsey is rated to be "compliant" by OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes.

3. Disclosure, cf. EU Directive 2018/822/EU

The equity investment in the Fund should not be subject to disclosure under the EU DAC 6 Directive as the listed hallmarks required for triggering a disclosure obligation are not met for this transaction.

TaxRoom P/S, 29 June 2021



Claus Kirkeby Olsen