

# Taxpayers and the planet

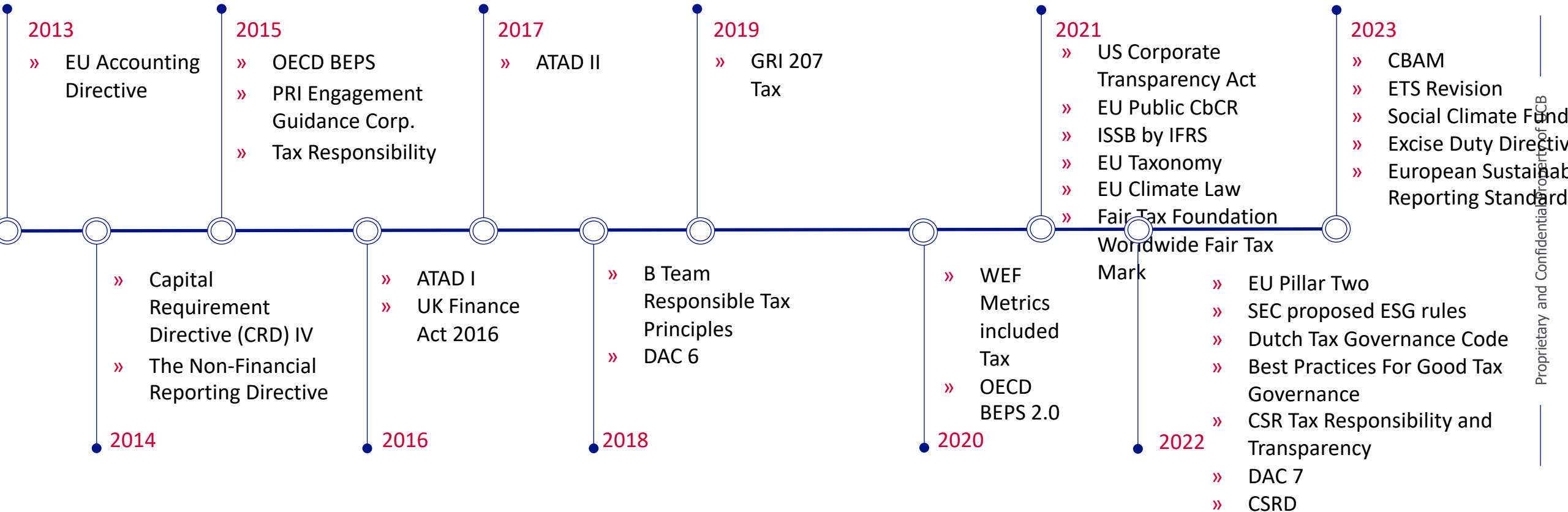
21 December 2023 – University of Antwerp



Inspired by **patients.**  
Driven by **science.**

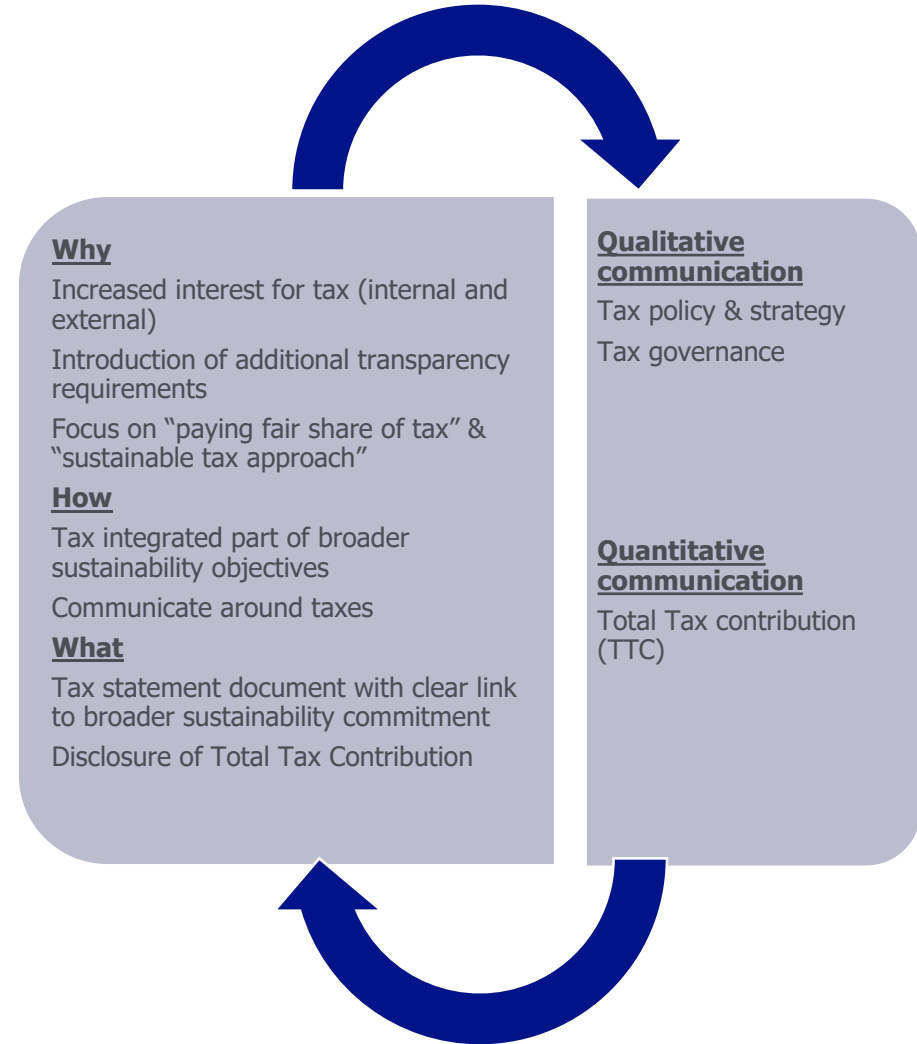


# Sustainable Tax Transformation timeline



# Sustainability IN Taxes

- Tax sustainability – broke its tax boundaries very recently turning into a TSUNAMI
  - START: combat against tax fraud and aggressive tax practices (only focus = tax)
    - Relation between taxpayer and tax administration (cross-border?)
    - Extreme cases: press attention!
    - Current end result: global minimum tax (OECD Pillar 2 & trend towards Pillar 1)
  - Evolution: adding reporting requirements
    - Annual financial statements: insufficient
    - Show me what you are really doing (CBC Reporting)
    - Relation between taxpayer and tax administration
    - From spontaneous publication to obligation (Public CBC Reporting)
  - Evolution 2: sustainability rating agencies
    - What is a company's policy on tax
    - Screening of company publications
    - Confrontation with management & official reports
    - *Side note*: shareholder activism
  - Evolution 3: Inclusion in company's code of conduct





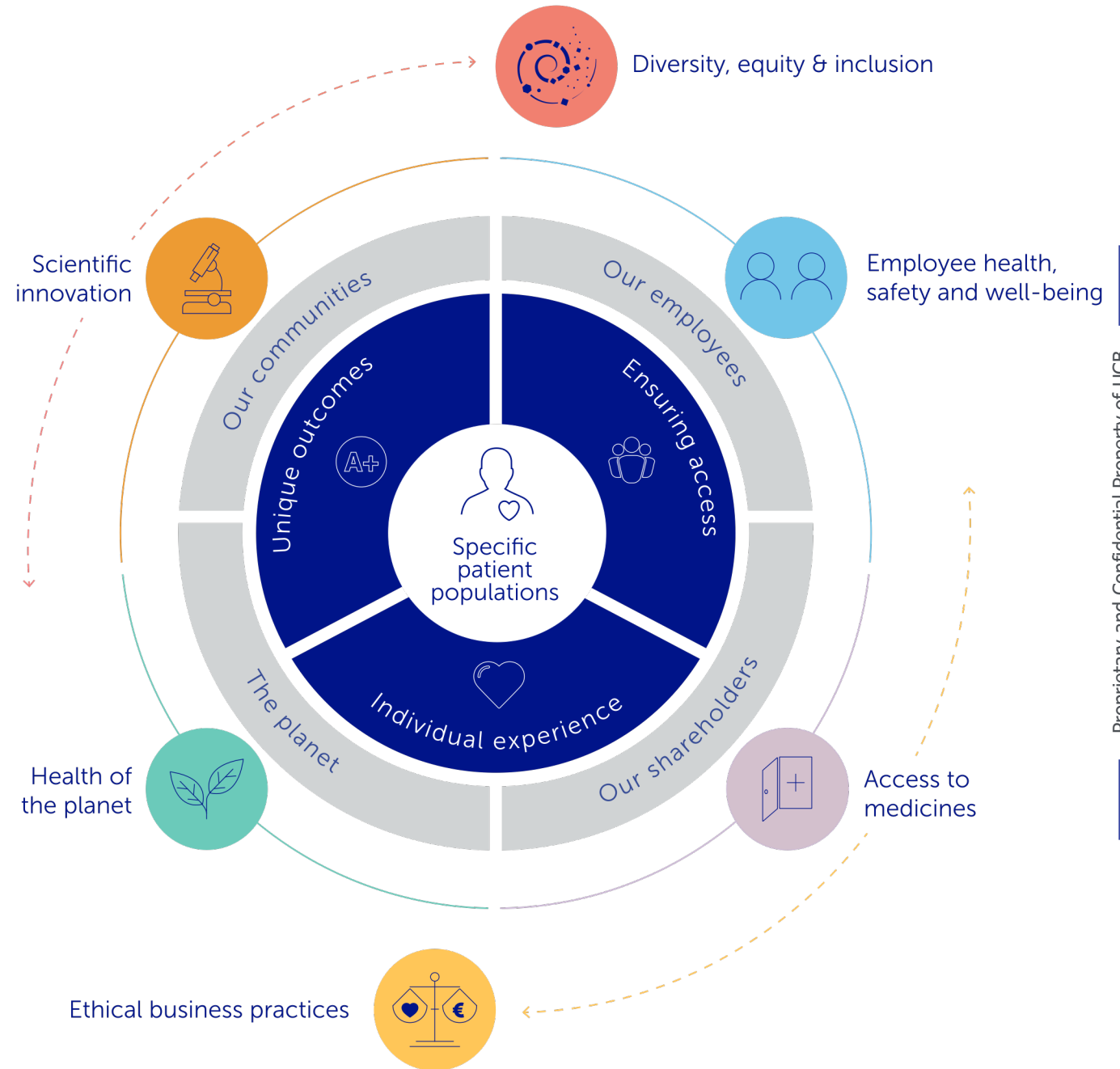
# Sustainability BY Taxes

- Real evolution when tax was not anymore considered stand-alone!
  - Genuine 'fit' in company's sustainability policy required
    - Health, safety, labor & remuneration (also externally)
    - Planet ambitions
    - Governance

We are defined by our purpose:

**Creating value for patients now and into the future**

And sustainability is at our core.



# The « Health of the planet » is part of our business approach



Reduce **CO<sub>2</sub>e** emissions by 38% and contribute to climate neutrality by 2030 (for all UCB footprint except suppliers)



Reduce water withdrawal by **20%** by 2030



Reduce waste production by **25%** by 2030

Have **60%** of the emissions created by our suppliers covered by SBTi-like targets by 2025



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

# Sustainability BY Taxes

- Requires full alignment of tax function within broader ESG Strategy
  - Knowledge: what's your company's sustainability strategy?
  - Decisions: is the tax function a decision maker or an enabler?
  - People: identify & hire tax sustainability responsables
  - Processes: from reporting (ESG) to actual behavior (screening of contracts and advisors) and tax planning (manufacturing function: cheap labor vs state of the art sustainable manufacturing plant?)
  - Technology: DATA !
- Requires clear tone at the top!
- Leads to 'inconvenient' discussions about company's tax footprint
  - Fueled by discussions with 'Sustainability Board' and 'Sustainability Teams'
  - Smile-curve reveals disalignment between the innovative value stream and the sustainability value stream
  - The combination between income taxes versus 'above the line' taxes (CBAM, plastic taxes, green taxes, ...)
- ...that will however need to be solved
  - Boiling down to the question of the impacts on adjusted EBITDA/Profitability going forward
  - And tax can be part of the answer (if implemented appropriately – Pillar 2?)
- Challenges are drawing clear & decisions will need to be taken but pieces are missing...
  - Consistency of the model (above the line vs income taxes) or other unilateral impacts of sustainability discussions (quid R&D activities?) – global alignment required
  - Government support in transitioning (not so easy for all industries) – innovation will be the only solution in view of keeping welfare
  - Clear timelines

# Conclusion

- Sustainability is there to stay – also in tax!
- Isolated Tax Sustainability: change of minds has already taken place – changed views on tax planning
- Broad notion Tax Sustainability: insights are emerging but is a much larger exercise
- Evolution of (tax) sustainability to a 'license to operate' – non-compliance may cause substantial business disruption
- Challenges are clear but global picture on solutions is missing!
- Close cooperation with policymakers required
  - Innovation will be the only solution
  - Innovation may need support
  - Tax can contribute in case globally aligned
- Tax responsables are also taking their responsibility themselves (bottom-up)

# Plus Us Manifesto



The state of our society forces us to bring change into a space which isn't often associated with sustainability: Tax.

Fuelled by our **personal beliefs** we want to be a collaborative catalyst of change that places tax in a different light.

Hello, **empathy**. Hello, **kindness**. Hello, **sustainable foresight**.  
Welcome to the Tax Community.

Watch us shake up the tax world for the good.

Watch us **inspire** and **encourage** open discussion and collective action to use tax as an effective means to create a more **sustainable future**.

**Join us to set new standards.**

**plus us.** Driving societal transformation through tax.



## Plus Us - Deeper dive



- Rooted in a philosophy that actively supports companies in their journey towards sustainable tax practices
- Tax Professionals as proactive shapers of the future of taxation, helping rebuild trust in the tax system while fostering sustainable business transformations
- Tax professionals should proactively engage in building the tax landscape, designing the tax function and defining the right tax policies for the future.
- Sustainability scope and standards are being defined but tax departments can already set the right direction.
- Present and future generation's needs to be balanced: tax professional need to maintain a long-term perspective, actively listen to the concerns of younger generations and anticipate the requirements of the future ones
- Building collective leadership: bringing together influential tax leaders, academics and young professionals, exploring the challenges that companies encounter on their journey towards sustainable transformation and how to address these

# Contact detail



**Dennis Beyers**

**Vice President – Head of Tax**

**Mob : +32 (0) 493 240 690**

**Mail: [dennis.beyers@ucb.com](mailto:dennis.beyers@ucb.com)**

## **Description:**

**Tax professional with a passion for innovation & linking financial accounting and income tax. Guardian of correct application of tax law & tax procedural rules. Believer in tax sustainability, linking to long term prosperity.**

## **Born:**

**20 February 1983**

## **Professional experience:**

- **2016-today: UCB**  
**Vice President - Head of Tax (2021-now)**  
**Director Tax Europe – Tax Accounting – Tax Policy (2016-2021)**  
**International Tax, Transfer Pricing, Income Tax Reporting (IAS 12), Tax digitalisation & Tax compliance**
- **2007-2016: PwC Belgium**  
**Consultant to Senior Manager**  
**International Tax, Transfer Pricing, Income Tax Reporting (IFRS/US GAAP/BE GAAP) & Tax Compliance**

The presentation at the University of Antwerp is given in my own name and in my capacity as international tax specialist anchored in a Belgian biopharmaceutical MNE, Belgian citizen and dedicated believer in innovation as driver for long term economic growth and prosperity supported by new and developing insights on tax sustainability. I do not act as a representative of UCB nor other pharmaceutical company.