

Policy on Tax Evasion and the Facilitation of Tax Evasion



Statement

This document is authorised by the Board of Directors of Envoy & Partners Limited in respect of Envoy & Partners Limited and its subsidiaries. It is the Board's expectation that this procedure, and any associated procedures, will be adhered to.



Andrew Matheson
Director
Envoy & Partners Limited

Contents

1	Document Details.....	4
1.1	Purpose	4
1.2	Scope.....	4
1.3	Objective	4
1.4	Roles and Responsibilities.....	4
2	Scope of this policy	4
3	Criminal Finances Act 2017	5
4	What is prohibited	6
5	Records.....	6
6	Working overseas.....	6
6.1	Principle	6
6.2	Procedure.....	6
7	Risk Management	6
7.1	Principle	6
7.2	Procedure.....	6
8	Reporting suspected tax evasion	7
8.1	Principle	7
8.2	Procedure.....	7
9	Review of procedures and training.....	7

1 Document Details

1.1 Purpose

The Envoy Group (comprising Envoy & Partners Limited and its worldwide subsidiaries) (“Envoy”) is committed to the highest standards of ethical conduct and integrity in its business activities in the UK and overseas. This policy outlines Envoy’s position on preventing and prohibiting tax evasion, both overseas and in the UK, in accordance with the Criminal Finances Act 2017. Envoy will not tolerate any form of tax evasion or the facilitation of tax evasion by its employees, agents or consultants or any person or body acting on its behalf. Senior management is committed to implementing effective measures to prevent, monitor and eliminate tax evasion and the facilitation of tax evasion. It is essential that we maintain the highest ethical standards to protect the international reputation of Envoy.

1.2 Scope

The Policy on Tax Evasion and Facilitation of Tax Evasion encapsulates the core values of Envoy and applies to all those employed by Envoy, including sub-contractors. Envoy also requires other ‘associated persons’ working with Envoy to confirm that they agree with and will uphold this Policy in their dealings with us.

1.3 Objective

The aim of this policy is to be absolutely clear about the behaviours which are not acceptable and to ensure that Envoy and all of its employees and contractors stay within the boundaries of the Criminal Finances Act 2017, bearing in mind that this may extend to both tax liabilities and associated persons overseas.

1.4 Roles and Responsibilities

This document comes under the responsibility of the Group Finance Director, who shall have accountability for development, implementation and overall effectiveness of the Policy on Tax Evasion and Facilitation of Tax Evasion procedures. It is to be implemented and used in accordance with the table below which summarises the roles and responsibilities of those involved in using this document:

Role	Responsibility
Group Finance Director	The Envoy Group Finance Director. They shall have accountability for development and implementation of the Policy on Tax Evasion and Facilitation of Tax Evasion, and any associated procedures.
Senior Finance Officers	These are Finance Senior Managers for specific business units within Envoy. They shall be required to be familiar with the Policy on Tax Evasion and Facilitation of Tax Evasion and any associated procedures, and to ensure that this is effectively communicated to their finance teams.

2 Scope of this policy

This policy applies to all employees and officers of Envoy, and to temporary workers, consultants, contractors, agents and subsidiaries acting for, or on behalf of Envoy (“associated persons”) within the UK and overseas. Every employee and associated person acting for, or on behalf of Envoy is responsible for maintaining the highest standards of business conduct. Any breach of this policy is likely to constitute a serious disciplinary, contractual and criminal matter for the individual concerned and may cause serious damage to the reputation and standing of Envoy.

Envoy may also face criminal liability for unlawful actions taken by its employees or associated persons under the Criminal Finances Act 2017. All employees and associated persons are required to familiarise themselves and comply with this policy, including any future updates that may be issued from time to time by Envoy.

The Criminal Finances Act 2017 came into force on 30 September 2017. This policy covers;

- The main areas of liability under the Criminal Finances Act 2017;
- The responsibilities of employees and associated persons acting for, or on behalf of, Envoy; and
- The consequences of any breaches of this policy

3 Criminal Finances Act 2017

Envoy is committed to complying with the Criminal Finances Act 2017 in its business activities in the UK and overseas.

Under the Criminal Finances Act 2017, there are two new offences which apply to all businesses operating in all sectors:

- Facilitating the evasion of UK tax; and
- Facilitating the evasion of foreign tax

The definition of tax evasion has not been changed, and a distinction should be drawn between tax evasion and tax avoidance. Tax evasion takes place when individuals or businesses dishonestly omit, conceal or misrepresent information in order to reduce a tax liability. Tax avoidance on the other hand, is not a criminal offence, but involves the exploitation of tax rules by the use of transactions which are designed to gain a tax advantage within the letter but perhaps not the spirit of the law.

Broadly, Envoy will be deemed to have committed a criminal offence under the Criminal Finances Act 2017 if:

- A person evades tax of any kind (tax evasion being as defined in the UK); and
- An employee or other associated person of Envoy deliberately and dishonestly facilitates that evasion of tax while acting as an employee or other associated person of Envoy (facilitation being as defined in the UK); and
- Envoy fails to prevent the employee or other associated person from facilitating that evasion of tax.

All employees and associated persons are therefore required to comply with this policy.

In addition, individual employees and associated persons may be criminally liable for tax evasion or the facilitation of tax evasion in their own right under existing legislation.

4 What is prohibited

Envoy prohibits employees or associated persons from participating in tax evasion or the facilitation of tax evasion in either the UK or overseas. This applies to all taxes in both the UK and overseas, and to employees and associated persons regardless of jurisdiction. This prohibition applies regardless of the manner or type of evasion or facilitation of evasion, and regardless of whether participation is direct or indirect, active or passive.

Employees and associated persons are reminded of Envoy's Public Interest Disclosure (Whistleblowing) Policy.

5 Records

Employees and, where applicable, associated persons, are required to take particular care to ensure that all company records are accurately maintained in relation to any contracts or business activities, including financial invoices and all payment transactions with clients, suppliers and public officials.

Due diligence should be undertaken by employees and associated persons prior to entering into any contract, arrangement or relationship with a potential supplier of services, agent, consultant or representative.

Due diligence should be undertaken by employees and associated persons prior to entering into any contract, arrangement or relationship with a potential customer of goods or services.

6 Working overseas

6.1 Principle

Employees and associated persons conducting business on behalf of Envoy outside the UK may be at greater risk of being exposed to unethical business conduct than UK-based employees. Employees and associated persons owe a duty to Envoy to be extra vigilant when conducting international business.

6.2 Procedure

Employees and associated persons are required to cooperate with Envoy's procedures and to report suspicions of tax evasion or the facilitation of tax evasion to a Senior Finance Officer and the Group Finance Director.

If an employee or associated person is in any doubt as to whether or not a potential act constitutes tax evasion or the facilitation of tax evasion, the matter should be referred to a Senior Finance Officer and the Group Finance Director.

7 Risk Management

7.1 Principle

Envoy has detailed risk management procedures to prevent, detect and prohibit tax evasion and the facilitation of tax evasion. Envoy will conduct risk assessments for each of its key business activities on a regular basis in order to identify where the risks of exposure to the corporate offence of failure to prevent the facilitation of tax evasion arise.

7.2 Procedure

Envoy will identify the areas where there is the highest risk of tax evasion or the facilitation of tax evasion occurring, and this risk assessment will be reviewed annually.

Envoy will:

- regularly monitor "at risk" employees and associated persons;
- regularly communicate with "at risk" employees and associated persons;

- undertake extensive due diligence of third parties and associated persons; and
- communicate its zero-tolerance approach to tax evasion and the facilitation of tax evasion to third parties, including actual and prospective customers, suppliers and joint-venture partners.

8 Reporting suspected tax evasion

8.1 Principle

Envoy depends on its employees and associated persons to ensure that the highest standards of ethical conduct are maintained in all its business dealings. Employees and associated persons are requested to assist Envoy and to remain vigilant in preventing, detecting and reporting tax evasion and the facilitation of tax evasion.

Employees and associated persons are encouraged to report any concerns that they may have to a Senior Finance Manager or the Group Finance Director. Issues that should be reported include:

- any suspected or actual attempts at tax evasion;
- concerns that other employees or associated persons may be facilitating tax evasion.

8.2 Procedure

Please refer to the Public Interest Disclosure (Whistleblowing) procedure for full details.

9 Review of procedures and training

Envoy will regularly communicate its prevention of tax evasion and the facilitation of tax evasion measures to employees and associated persons. Envoy will set up training sessions where applicable.

Envoy will monitor and review the implementation of this policy and related procedures on a regular basis.

Employees and those working for, or on behalf of, Envoy are encouraged to contact the Group Finance Director with any suggestions, comments or feedback that they may have on how these procedures may be improved.

Envoy reserves the right to amend and update this policy as required. For the avoidance of doubt, this policy does not form part of employees' contracts of employment.