



PEEL GROUP

ANTI-FACILITATION OF TAX EVASION POLICY

OWNER	LAST UPDATED
Group Company Secretary	January 2020

1. INTRODUCTION

- 1.1 Tax evasion is the illegal non-payment of taxes, wholly resulting from the making of a false declaration or no declaration at all of taxes due to the relevant tax authorities. Tax evasion and its facilitation are criminal offences and can result in criminal prosecution and unlimited financial penalties.
- 1.2 Tax evasion and its facilitation can take many forms. Set out in paragraph 10 are some common examples. However, these are not all encompassing and therefore if you have a question or doubt as to whether a matter may represent tax evasion or its facilitation, please seek guidance in accordance with this policy.
- 1.3 The existing legislation prohibiting tax evasion has been extended and supplemented by the provisions of the Criminal Finances Act 2017.
- 1.4 The Peel Group (“Peel”, “Group”, “we”, “our”) maintains a zero-tolerance approach to the facilitation of tax evasion whether under UK law or under the law of any foreign country.
- 1.5 We are also committed to ensuring there is transparency in our own businesses and in our approach to tackling the facilitation of tax evasion throughout our supply chains consistent with our obligations under the Criminal Finances Act 2017.
- 1.6 We expect the same high standards from all our consultants, advisors, contractors, suppliers and other business partners. As part of our contracting processes, we include obligations requiring compliance with all applicable laws, statutes, regulations, codes and policies, including in relation to tax evasion and its facilitation. We require that relevant and compliant policies and procedures are maintained and enforced relating to such matters and prohibit any activities, practices or conduct which may constitute or cause any breach of, or offence under, any such laws, statutes, regulations, codes, policies and procedures. We also expect that our consultants, advisers, contractors, suppliers and other business partners will hold their own contractors, suppliers and other business partners to the same high standards.

2. SCOPE

- 2.1 For the purposes of this policy, the Peel Group includes all Business Units within the Peel Group and this policy shall apply accordingly except where a Business Unit has adopted its own policy and the Peel Group has agreed that the Business Unit policy shall apply to the Business Unit. The Peel Group and its Business Units are committed to acting professionally, fairly and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to counter tax evasion facilitation by any of the entities with whom we do business.
- 2.2 This policy applies to all persons working for us on our behalf in any capacity or under our control, including employees at all levels, directors, officers, agency workers, volunteers, interns, agents, contractors, suppliers, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located, should be construed accordingly.

3. ABOUT THIS POLICY

3.1 The purpose of this policy is to:

- set out our responsibilities, and of those working for us, in observing and upholding our position on preventing the criminal facilitation of tax evasion; and
- provide information and guidance to those working for us on how to recognise and avoid tax evasion.

3.2 As an employer, if we fail to prevent our employees, workers, agents or service providers facilitating tax evasion, we can face criminal sanctions including an unlimited fine, as well as exclusion from tendering for public contracts and damage to our reputation. Consequently, we take our legal responsibilities seriously.

3.3 Each Business Unit must identify and consider the risks for its particular business and implement procedures and processes to counter those risks.

3.4 In this policy, **third party** means any individual or organisation you come into contact with during the course of our work and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisers, representatives and officials, politicians and political parties.

3.5 This policy does not form part of any employee's contract of employment and we may amend it at any time.

4. RESPONSIBILITY FOR THIS POLICY

4.1 The Directors of the various Peel Group companies have overall responsibility for ensuring this policy complies with our legal and ethical obligations and that all those under our control comply with it.

4.2 The Finance Heads for the Business Units have primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries about it, and ensuring internal audit of control systems and procedures to ensure they are effective in countering tax evasion and its facilitation.

4.3 Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it.

4.4 You are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries are encouraged and should be addressed to the Finance Head for your Business Unit or the contacts listed in section 11.

5. COMPLIANCE WITH THIS POLICY

- 5.1 You must ensure that you read, understand and comply with this policy.
- 5.2 The prevention, detection and reporting of tax evasion and its facilitation in any part of our businesses or supply chains is the responsibility of all those working for us or on our behalf in any capacity or under our control. You are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 5.3 You are encouraged to raise concerns about any issue or suspicion of tax evasion or its facilitation in any parts of our business and supply chains at the earliest possible stage.
- 5.4 If you believe or suspect a breach of or conflict with this policy has occurred or that it may occur, you must notify your manager or the Head of Finance for your Business Unit or report it in accordance with our Whistleblowing Policy (which includes a confidential helpline) as soon as possible.
- 5.5 If you are unsure about whether a particular act, either within any part of our businesses or supply chains, constitutes a form of tax evasion or its facilitation, please still notify or report it as soon as possible in accordance with 5.4.

6. WHAT YOU MUST NOT DO

- 6.1 It is not acceptable for you (or someone on your behalf) to:
 - engage in any form of facilitating tax evasion or foreign tax evasion;
 - aid, abet, counsel or procure the commission of a tax evasion offence or foreign tax evasion offence by another person;
 - fail to promptly report any request or demand from any third party to facilitate the fraudulent evasion of tax (whether UK tax or tax in a foreign country), or any suspected fraudulent evasion of tax (whether UK tax or tax in a foreign country) by another person, in accordance with this policy;
 - engage in any other activity that might lead to a breach of this policy; or
 - threaten or retaliate against another individual who has refused to commit a tax evasion offence or a foreign tax evasion offence or who has raised concerns under this policy.

7. TRAINING AND COMMUNICATION

- 7.1 Training on this policy forms part of the induction process for all individuals who work for us, and regular training will be provided as necessary. Such training may form part of wider financial crime detection and prevention training.

- 7.2 We will ensure that mandatory training on this policy is offered to those employees, workers and associated persons who have been identified as being at risk of exposure to criminal tax evasion, at least once every year.
- 7.3 Our zero-tolerance approach to tax evasion and foreign tax evasion must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate after that.

8. PROTECTION

- 8.1 Individuals who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.
- 8.2 We are committed to ensuring no one suffers any detrimental treatment as a result of:
- refusing to take part in, be concerned in, or facilitate tax evasion or foreign tax evasion by another person; or
 - refusing to aid, abet, counsel or procure the commission of a tax evasion offence or a foreign tax evasion offence by another person; or
 - reporting in good faith their suspicion that an actual or potential tax evasion offence or foreign tax evasion offence has taken place or may take place in the future.
- 8.3 Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform one of the contacts as listed in section 11 immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure.

9. BREACHES OF THIS POLICY

- 9.1 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.
- 9.2 We may terminate our relationship with other individuals and organisations working on our behalf in any capacity or under our control if they breach this policy.

10. POTENTIAL RISK SCENARIOS: "RED FLAGS"

The following is a list of possible red flags that may arise during the course of you working for us and which may raise concerns related to tax evasion or foreign tax evasion. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags while working for us, you must report them promptly to your manager or using the procedure set out in the Whistleblowing Policy.

- a) You become aware, in the course of your work, that a third party has made or intends to make a false statement relating to tax, has failed to disclose income or gains to, or to register with, HMRC (or the equivalent authority in any relevant non-UK jurisdiction), has delivered or intends to deliver a false document relating to tax, or has set up or intends to set up a structure to try to hide income, gains or assets from a tax authority.
- b) You become aware, in the course of your work, that a third party has deliberately failed to register for VAT (or the equivalent tax in any relevant non-UK jurisdiction) or failed to account for VAT.
- c) A third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made.
- d) You become aware, in the course of your work, that a third party working for us as an employee asks to be treated as a self-employed contractor, but without any material changes to their working conditions.
- e) A supplier or other subcontractor is paid gross when they should have been paid net, under a scheme such as the Construction Industry Scheme.
- f) A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business.
- g) A third party to whom we have provided services requests that their invoice is addressed to a different entity, where we did not provide services to such entity directly.
- h) A third party to whom we have provided services asks us to change the description of services rendered on an invoice in a way that seems designed to obscure the nature of the services provided.
- i) You receive an invoice from a third party that appears to be non-standard or customised.
- j) A third party insists on the use of side letters or refuses to put terms agreed in writing or asks for contracts or other documentation to be backdated.
- k) You notice that we have been invoiced for a commission or fee payment that appears too large or too small, given the service stated to have been provided.
- l) A third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us.

11. CONTACTS

If you have any questions regarding this policy please contact the Finance Head for your Business Unit or, alternatively, any of the contacts below:

Group Finance Director	Ruth Woodhead 0161629 8245 rwoodhead@peel.co.uk
Solicitor, Peel Group	Neil Hayes 0161 629 8285 nhayes@peel.co.uk
Legal Director, Peel L&P	Catherine Straughton 0161 629 8283 cstraughton@peellandp.co.uk
Group Company Secretary	Susan Moss 0161 629 8225 smoss@peel.co.uk
Internal Auditor	Hayley Dickinson-Moore 0161 629 8373 hdmoore@peel.co.uk

Confidential Helpline:	
Safecall	0800 915 1571