

EMIS Group plc

Anti-tax evasion policy

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1 Introduction and policy

EMIS Group plc is committed to trading within the law and conducting all of its business activities in an honest and ethical manner. This policy governs all of our business dealings and the conduct of all persons or organisations who are appointed to act on our behalf.

Tax evasion and its facilitation are criminal offences. The Criminal Finances Act 2017, which came into effect on 30 September 2017, holds organisations liable where they fail to prevent those that work for them or on their behalf from criminally facilitating tax evasion.

EMIS Group plc and its subsidiaries (the “company”) has a zero tolerance approach to any form of tax evasion, whether under UK law or under the law of any foreign country. Employees and associates of the company must not undertake any action which facilitates the company, or any other party or individual, in evading the payment of tax. Business should be conducted at all times in a manner such that the opportunity for, and incidence of, tax evasion is prevented.

If it is proven that tax evasion or the facilitation of tax evasion has taken place, then, unless the company can demonstrate that it has reasonable preventative procedures in place, the company could be criminally prosecuted, face unlimited financial penalty and suffer reputational damage.

1.1 Who must comply with this policy

This policy applies to all persons working for the company or any subsidiary company, or on our behalf in any capacity, including team members at all levels, directors, officers and associates, including but not limited to agency workers, seconded workers, volunteers, interns, contractors, external consultants, third-party representatives and business partners, sponsors or any other person associated with us, wherever located.

A person (which can be an individual or a company) is “associated” with a company if that person is an employee, agent or other person who performs services for or on behalf of the company. Whether a person is deemed to be performing services is based on an assessment of all relevant circumstances.

1.2 UK and overseas

The Criminal Finances Act covers both UK and foreign tax evasion

1.2.1 UK tax evasion

Where there is a UK tax evasion facilitation offence it does not matter

- whether the company is UK-based or established under the law of another country; or
- whether the associated person who performs the criminal act of facilitation is in the UK or overseas.

1.2.2 Overseas tax evasion

Foreign tax evasion is captured by the UK Criminal Finances Act only if the evasion is deemed to be a criminal offence had it been committed in the UK.

2 Responsibility

The EMIS Group plc Board of Directors has overall responsibility for ensuring that this policy complies with our legal obligations, and that our employees and associates comply with it. Employees in leadership positions are responsible for ensuring those reporting to them understand and comply with this policy and undertake the training offered in relation to it.

2.1 Points of contact and reporting

For further information or queries on anything included in this policy please speak with either: Peter Southby, Chief Financial Officer; or Paul Stewart, Group Finance FD.

If there is any suspicion of an employee or associate attempting to commit tax evasion please get in touch with either Peter or Paul, or alternatively follow the Group’s whistleblowing procedures, details of which can be found in the Corporate Governance section of the Intranet (Heartbeat). All communication will be dealt with in the strictest confidence.

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2.2 Responsibilities of all employees and associates

All employees and associates:

- Must not engage in any form of tax evasion or facilitation of tax evasion
- Must understand and adhere to this policy at all times
- Must promptly report any known or suspected tax evasion

3 What is tax evasion and tax evasion facilitation?

3.1 Tax evasion

Tax evasion is the illegal or fraudulent evasion of taxes by individuals or entities. It involves deliberate and dishonest conduct. This is not the same as tax avoidance or tax planning, which is not illegal (and involves taking steps, within the law, to minimise tax payable).

3.2 Tax evasion facilitation

The facilitation of tax evasion means knowingly aiding or abetting an individual or entity in evading tax.

3.3 What taxes are covered?

Tax means all forms of UK taxation, including but not limited to corporation tax, income tax, value added tax, all types of stamp duty, and national insurance contributions (and their equivalents in any non-UK jurisdiction).

3.4 Examples

There is no exhaustive list of tax evasion opportunities, but potential examples of facilitating tax evasion include:

- Staff being resourced via an agency, with full knowledge of the agency's practice to pay these staff in cash and not declare their income to HMRC; or
- Intentional manipulation of documents, for example, falsifying dates on dividend documents to alter the tax year in which tax would become due; or
- Agreeing to send a bill to a different person / entity than who the work was done for, or to a different address, or with a misleading description. In each case knowing that this gives the supplier a better tax position; or
- A contract being set up with a new customer as a contract for services, despite it being a provision of goods, to help the customer evade the higher tax that would be due under a contract for goods arrangement; or
- A manager signs off an employee's expense claims knowing that they are also using the same receipts to reduce their personal tax bill.