

THE PIG



HOME GROWN HOTELS LIMITED

(THE PIG)

SUPPLIER

ANTI-FACILITATION OF TAX EVASION POLICY

- THE PIG takes a zero-tolerance approach to tax evasion or the facilitation of tax evasion and we are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate. We implement, enforce and monitor effective systems and controls to counter and prevent the facilitation of tax evasion.
- We take our responsibilities very seriously and we uphold all laws relevant to countering tax evasion, including the Criminal Finances Act 2017 (“CFA 2017”).
- THE PIG expects all its partners and other third parties, including our suppliers (“**Third Parties**”), to act with integrity and comply with this Anti-Facilitation of Tax Evasion Policy (“**Policy**”) and all laws relevant to countering tax evasion.
- There are serious criminal penalties for committing an offence under the CFA 2017. Additionally, conviction could have very damaging consequences for THE PIG's reputation and business relationships and as a regulated entity, prosecution could impact the ability of THE PIG to carry on its business.
- THE PIG will actively investigate all reports of suspected tax evasion or facilitation of tax evasion by Associated Persons and will take appropriate measures to deal with any evasion or facilitation of tax evasion that we discover. In appropriate circumstances, we may invoke contractual sanctions or other remedies against any Associated Person who is found to have facilitated tax evasion. In any circumstance where evasion or facilitation is discovered, THE PIG may be obliged to report this to the appropriate authorities and/or our regulator.
- If you have questions about this Policy or your responsibilities under it please contact your primary business contact or a member of the senior management team.

POLICY

**What is Facilitation of Tax Evasion**

- Tax evasion involves the intentional use of illegal methods by a taxpayer to avoid paying tax which is due. The facilitation of tax evasion involves another person knowingly assisting a taxpayer in evading tax or otherwise being involved in tax evasion.
- Under the CFA 2017, a separate criminal offence is automatically committed by a corporate entity where the tax evasion is facilitated by a person acting in the capacity of an **Associated Person** to that body. For the offence to be made out, the Associated Person must deliberately and dishonestly take action to facilitate the tax evasion by the taxpayer. If the Associated Person accidentally, ignorantly or negligently facilitates the tax evasion, then the corporate offence is not committed. THE PIG does not have to deliberately or dishonestly facilitate the tax evasion itself; the fact that the Associated Person

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has done so creates the liability for THE PIG. This means if we fail to prevent our Third Parties from facilitating tax evasion, we can face criminal sanctions including an unlimited fine, confiscation orders and significant reputational damage.

- The only defence available to THE PIG under the CFA 2017 is that it had “reasonable procedures” in place to prevent the facilitation of tax evasion. As such it is imperative that all the Third Parties are aware of and comply with this policy.
- Tax evasion is not the same as **Tax Avoidance** or tax planning. Legal tax planning or Tax Avoidance, even if it is at risk of challenge by a tax authority, will not amount to evasion or criminal facilitation.

**Associated Person:** is an individual or entity who performs services for or on behalf of a relevant body (e.g. a company or partnership) and facilitates tax evasion while acting in that capacity.

The definition should be interpreted broadly and can include employees at all levels, directors, officers, temporary workers, agency workers, seconded workers, interns, agents, contractors, external consultants, third-party representatives and business partners, or any other person associated with us, wherever located.

**Tax Avoidance:** involves taking steps, within the law, to minimise tax payable (or maximise tax reliefs). While legal, such practices may be considered unethical or aggressive if they exploit loopholes or artificial arrangements lacking genuine commercial substance.

## YOUR RESPONSIBILITIES

- You must ensure that you read, understand and comply with this Policy.
- We expect that neither you nor any employee, partner or other associated person of your business will provide any service or take any action, in relation to your provision of services to us, our clients or otherwise, which you or they know or believe will be used to facilitate tax evasion.
- We expect that any person working on a matter referred to you by THE PIG or in respect of which you are engaged by THE PIG or may otherwise be an Associated Person of THE PIG (a **"Relevant Matter"**):
  - will keep in mind the possibility that clients may unlawfully seek to use services provided by you for the purposes of the fraudulent evasion of taxes;
  - will keep in mind the possibility that supplies of labour to you may be structured in a way so as to fraudulently evade taxes;
  - will take personal responsibility for ensuring that they do not knowingly facilitate this activity, and undertake appropriate due diligence of supply chains to identify whether tax evasion may be facilitated; and
  - will, through the appropriate channels at your business, report any concerns that may arise in this regard.

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- We expect that where you become aware of any conduct amounting to tax evasion or criminal facilitation of tax evasion in relation to a Relevant Matter, you will report this to your contact at THE PIG promptly, giving full details of the matter being reported.
- We expect that where you are yourself required by the CFA 2017 or any equivalent legislation outside the United Kingdom to demonstrate that you have taken "reasonable steps" (or equivalent action) to prevent tax evasion or the facilitation of tax evasion and you maintain a policy or procedures in relation to this, you will act in accordance with that policy and those procedures at all times in addition to THE PIG's own requirements.