

## SOVA CAPITAL CRIMINAL FINANCES ACT STATEMENT

The Criminal Finances Act 2017 introduced the corporate criminal offences of the failure to prevent the facilitation of UK and foreign tax evasion by a person associated with a relevant corporate body. Penalties for these offences include an unlimited fine. The Criminal Finances Act 2017 came into force on 30 September 2017.

Tax evasion means the offence of cheating the public revenue or fraudulently evading UK tax, and is a criminal offence. The offence requires an element of fraud, which means there must be deliberate action, or omission with dishonest intent.

Foreign tax evasion means evading tax in a foreign country, provided that conduct is an offence in that country and would be a criminal offence if committed in the UK. As with tax evasion, the element of fraud means there must be deliberate action, or omission with dishonest intent.

Tax evasion facilitation means being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax (whether UK tax or tax in a foreign country) by another person, or aiding, abetting, counselling or procuring the commission of that offence. Tax evasion facilitation is a criminal offence, where it is done deliberately and dishonestly.

An associated person can be an individual or corporate entity associated with SOVA through a contractual arrangement, employment, agency or the performance of services for or on SOVA's behalf. The offence therefore applies to all SOVA employees including those in its overseas branch. Third parties that provide services for or on behalf of SOVA, whether in the UK or overseas, are also covered by this legislation.

SOVA values its reputation for its high standards and reliability and takes seriously its legal, regulatory and tax obligations. SOVA is fully committed to complying with all applicable laws and regulations relating to tax and tax evasion and has policies and procedures in place to detect and prevent the facilitation of tax evasion offences. SOVA adopts a zero-tolerance approach towards such criminal activities and is fully committed to its staff demonstrating the highest standards of ethical behaviour and honesty at all times and to compliance with the obligations imposed by the Criminal Finances Act 2017 and the associated guidance issued by the UK Government.

SOVA expects high standards of professional and ethical conduct from all of its staff and its contractual third parties.

SOVA adopts a zero tolerance approach towards the commission of the facilitation of tax evasion by its employees, agents, suppliers, service providers, intermediaries and all other parties acting on its behalf.

Appropriate disciplinary action will be taken where employees are found to be guilty of engaging in criminal facilitation of tax evasion. Contracts will be terminated where third parties are not complying with the provisions of the Criminal Finances Act 2017 and perpetrate these criminal offences.

Furthermore, where necessary, reports may be submitted to the applicable regulatory authority.

