

# Global Policy on Preventing Tax Evasion and the Facilitation of Tax Evasion

## Purpose

This policy sets out Knight Frank's zero tolerance approach to tax evasion.

## What is tax evasion?

Tax evasion involves the deliberate and dishonest use of illegal practices in order not to pay the right amount of tax. This could include not reporting all of your income, deliberately not filing an accurate tax return, hiding beneficial ownership and taxable assets from tax authorities or diverting funds to hide income from local taxation authorities.

Tax evasion should not be confused with tax avoidance - the use of tax incentives or other legal means to reduce taxes. However, aggressive tax planning may be considered unethical and be subject to challenge by tax authorities. Appropriate consideration is necessary before committing to tax avoidance arrangements.

## What is facilitation of tax evasion?

To deliberately and dishonestly facilitate tax fraud for or on behalf of another person.

Real life examples of facilitation of tax evasion could include deliberately and dishonestly changing invoices for customers that could impact the VAT / sales tax amount, or assisting a supplier in not disclosing income (e.g. through making a payment into an undeclared overseas bank account) or deliberately overstating group cross-border intercompany charges where this may impact the Corporation Tax due either or both tax jurisdictions.

## Why it matters

Our vision is to be "the trusted advisor in property". Tax evasion and avoidance cause the loss of revenue that could have financed social spending or infrastructure investments. This also exacerbates inequality and perceptions of unfairness.

In addition to the social and ethical impacts there may be civil and / or criminal implications for Knight Frank entities / employees arising from relevant legislation in each jurisdiction.

Knight Frank is committed to the highest level of ethical behaviour and has zero tolerance for the facilitation of tax evasion.

This policy has been written to comply with UK legislation (Appendix 1 sets the Criminal Finances Act 2017) which sets a minimum standard we expect across Knight Frank's Global Network. Each territory will have its own legislation and member's will need to be aware of where local requirements are stricter than this policy.

## Scope

This policy applies to all employees of Knight Frank. It applies also to consultants, contractors and agency workers in relation to their work for, or on behalf of, Knight Frank.

Knight Frank refers to the member firms of the Knight Frank Global Network, each of which is a separate legal entity. The Knight Frank Global Network comprises Knight Frank LLP, its subsidiaries (direct or otherwise), its affiliates and any other entity or practice carrying on business under or including the name Knight Frank or in association with Knight Frank LLP internationally in over 50 territories. Failure to comply with this policy may result in disciplinary action being taken against anyone involved, or the termination of contracts with contractors and other third parties working for Knight Frank.

The Knight Frank Global Network can use the Knight Frank name and resources of the network. Member firms agree to abide by certain common policies and to maintain the standards of Knight Frank.

## Definitions

**An associated person** is defined as a person who performs services for or on behalf of our organisation. This can be an individual or an incorporated or unincorporated body. Typically, this includes suppliers, agency workers, outsourced service providers, contractors etc.

This policy also applies to all our employees in how they manage their relationships with anyone they meet during the course of work for us, and this will include 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.

Failure to comply with this policy may result in disciplinary action being taken against anyone involved, or the termination of contracts with contractors and other third parties working for Knight Frank.

## General principles

- Knight Frank does not tolerate tax evasion, tax fraud or attempts to facilitate, or aid, abet, counsel or procure such actions.
- Knight Frank is committed to taking effective action to counter the risk of any employee, agent, contractor, business partner representative or any person who provides services for or on our behalf engaging in the facilitation of tax evasion
- With Group Executive Board leadership, management has established clear structures, and appropriate authorities in pursuit of the above objective.
- Knight Frank has developed this policy and procedures set out below to mitigate the risk of facilitation of tax evasion and provides training to employees to accomplish this.
- The firm will regularly evaluate the components of its framework for preventing the facilitation of tax evasion and address deficiencies in a timely manner.

## What to look out for

Below are examples of risk areas and red flags which should raise a concern under this policy.

Examples could include, but are not restricted to the following:

- A supplier, contractor or anyone within our business asking you to do something that does not match up with official documentation – for example, paying into a different account than that which is specified on the invoice.
- You are feeling under pressure to process or approve an invoice (or make changes to our contractual terms) that you don't feel makes sense, for example in terms of changing the payment details or VAT amount.
- You receive an invoice from a third party that appears to be non-standard or customised or is different to what you expected.
- Someone who works for a third-party supplier offering you what seems like a discount, e.g. because they tell you they don't need to charge you VAT/sales tax - without giving a reason
- Being concerned about the set up and/or supporting paperwork of a particular transaction that you think may not reflect the true commercial reality or fact pattern
- Someone (for example an employee or a contractor) claiming illegitimate expenses.
- Someone asking for a favour that is not in line with your company policy.

Any other knowledge or suspicion that anyone in our business, is evading or facilitating tax evasion.

### What to do if you have a suspicion or concern?

If at any time you have a reasonable belief, suspicion or concern that, in any way connected to our business,

someone has been engaged in facilitation of tax evasion or other wrongdoing (however insignificant it may be and whether it involves an employee of a third party) you must raise this with your line manager or via the Global Whistleblowing Policy.

#### What to do if you are a party to facilitation of tax evasion?

You must tell your line manager or the Head of Tax or senior management as soon as possible if you are asked to do something (either by someone else in the business or a third party) where you suspect there may be facilitation of tax evasion or believe that you are a victim of another form of unlawful activity.

#### What to do if you feel threatened or vulnerable?

If you refuse to act on a request (either by someone else in the business or a third party) that you think may result in the facilitation of tax evasion, you may feel worried about potential consequences. We take this very seriously and will support anyone who raises concerns in good faith under this policy, even if investigation finds that they were mistaken.

## Training and Communication

All relevant employees must familiarise themselves with our prevention of tax evasion training and ensure they have the appropriate level of knowledge for their specific roles. All relevant employees must take into account tax evasion-focused communications from senior management and be aware of the latest internal information regarding prevention of tax evasion.

## Policy implementation

This policy is to be adhered to by all entities part of the Knight Frank Global Network. This policy will be made available to the Knight Frank Global Network via the Knight Frank website and other applicable platforms.

## Whistleblowing

Knight Frank maintains a Global Whistleblowing Policy, incorporating an independent hotline, to ensure that anyone can report concerns, confidentially where possible, and to ensure that such concerns are investigated and remediated appropriately.

Anyone who has concerns relating to a potential breach of this policy must follow our Global Whistleblowing policy and report the matter immediately. There will be no repercussions for anyone taking these reporting steps, providing the suspicions or concerns are for genuine and not malicious reasons.

Management has a responsibility to investigate any reports of wrong-doing. Inaction in investigating reported or known issues will not be tolerated and will be subject to disciplinary action.

## Monitoring and Review

This policy will be reviewed in line with all other global policies at least annually. If there is a business or legislative reason for it to be reviewed more frequently, then this will be conducted by the firm's MLRO/Deputy MLROs.

## **Knight Frank Global Policy on Preventing Facilitation of Tax Evasion**

Prepared on: April 2026  
Signed: William Beardmore-Gray  
Position: Senior Partner and Chairman  
Review Date: April 2027

## Appendix 1: UK Criminal Finances Act 2017

The Criminal Finances Act 2017 introduced two Corporate Criminal Offences ('CCO'):

- The failure to prevent facilitation of UK tax evasion, and
- The failure to prevent facilitation of foreign tax evasion.

The legislation took effect on 30 September 2017.

### BACKGROUND

The Corporate Criminal Offences, enacted as Sections 45 and 46 of the Criminal Finances Act 2017, addresses the perceived gap in the law that made it difficult to hold a corporation to account when its representatives committed the criminal offence of facilitating tax evasion.

In summary, the legislation is all about businesses such as ours being able to demonstrate we can prevent the facilitation of tax evasion as part of our day-to-day operations. Specifically, the legislation means that if an "associated person" of a business does criminally facilitate tax evasion, and the business is unable to demonstrate that it had reasonable procedures in place to prevent such facilitation, the business is guilty of a criminal offence.

"Associated person" is defined very widely and includes any person (individual or corporate) who represents (or provides a service for or on behalf of) the business - employees, contractors, agents, and in certain circumstances external suppliers.

The consequences of a prosecution for the business include unlimited fines, reputational damage and the likelihood of regulatory sanction. Tax evasion and facilitation of tax evasion are also punishable for individuals with fines and custodial sentences. We therefore take our legal responsibilities very seriously. Any individual who breaches this policy may face disciplinary action, potentially resulting in dismissal for misconduct

or gross misconduct. Similarly, we may terminate our relationship with other individuals, organisations and other associated persons working on our behalf if they breach this policy.

The HMRC Guidance in respect of the CCO legislation states:

*"The Government believes that [businesses] should be criminally liable where they fail to prevent those who act for, or on their behalf from criminally facilitating tax evasion.*

*The offences will be committed where a relevant body fails to prevent an associated person criminally facilitating the evasion of a tax, and this will be the case whether the tax evaded is owed in the UK or in a foreign country."*

The legislation applies to all taxes – personal and corporate tax – and includes other taxes such as VAT, Customs Duties, National Insurance Contributions etc.

Criminal prosecution of the business, unlimited financial penalties and reputational damage to the business can result if we fail to comply with this law (and individuals can be prosecuted for tax fraud or facilitating tax fraud under pre-existing criminal legislation).

### Defence

Where Knight Frank has put in place reasonable prevention procedures to prevent its associated persons from committing tax evasion facilitation offences, or it was not reasonable in all the circumstances to have such prevention procedures in place, it shall have a defence. The main body of this policy document sets out our procedures to meet this requirement.