

# TAX DODGING BY A CANADIAN CROWN CORPORATION: REVERA LIVING MAKING A KILLING

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JANUARY 2021



Centre for  
International  
Corporate Tax  
Accountability  
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CICTAR is a global corporate tax research centre set up to untangle corporate tax webs and provide case studies on corporate tax avoidance. CICTAR is a collective global resource to facilitate broader and effective public participation by workers and communities in tax debates. Local, national, regional and international tax reforms are essential to address inequality, increase transparency and fund essential public services. CICTAR has done extensive research and analysis in the long-term care sector. This report is part of an ongoing focus on corporations engaged in providing public health services. For more information and a copy of this report, visit: [www.cictar.org](http://www.cictar.org)



A photograph of a person lying in bed, covered by a white blanket. A robotic arm is visible, resting on the person's arm. A lamp is visible in the background. The image is overlaid with a teal gradient.

# EXECUTIVE SUMMARY

The percentage of COVID-19 deaths in long-term care homes in Canada – higher than in any other country – has exposed the long-standing concern that profit is prioritised over care. Revera, a private corporation, is the second largest care home operator in Canada. An in-depth analysis of Revera's UK care homes indicates a pattern of aggressive corporate tax avoidance and may provide insights into Revera's corporate conduct and culture in Canada, where limited information is publicly available.

Revera is directly owned by the Public Sector Pension Investment Board (PSP), a Canadian Crown corporation and one of Canada's largest public sector pension funds. Excessive and preventable COVID-19 deaths at Revera's Canadian facilities, apparent aggressive tax avoidance strategies in the UK, and lack of transparency, all raise serious doubts about PSP's claims to be a responsible investor.

Revera's CEO, and other top executives, are directors of dozens of tax haven subsidiaries – in Jersey, Guernsey and Luxembourg – which own 60 UK care homes as part of complex corporate structures. Welltower, Revera's joint venture partner in the UK and one of the largest Real Estate Investment Trusts (REITs) in the US, discloses substantial UK profits. However, Revera-controlled UK care home operating companies report little or no profit in the UK in what appears to be a highly aggressive tax avoidance scheme. In 2019, its UK care homes charged residents more than £225 million in fees but were able to claim multiple UK tax credits.

Revera and Welltower operate UK care homes under 3 brands: Sunrise, Gracewell, and Signature. Sunrise – also one of the largest US senior housing operators – is 65% owned by Revera and 34% owned by Welltower. Although separately owned, Sunrise also operates Gracewell properties. Signature, a separate company, is owned by Revera via Guernsey holding companies, but most of its care homes are jointly owned with Welltower.

According to UK filings, the three Revera-controlled care home companies reported combined losses of US\$12.6 million in the most recent year. In contrast, Welltower's 2019 global reporting indicates an estimated US\$333.7 million in revenue and US\$84.8 million in net operating income from its share of UK investments with Revera. The discrepancy between the UK filings of Revera-controlled companies and Welltower's global reporting may indicate profit shifting. It appears that Revera uses tax havens and complex related party transactions to avoid UK income tax on profitable businesses.

Are deferred wages of federal government workers invested in corporations using aggressive tax avoidance schemes? Or is Revera's relationship with Welltower, its largest global investment partner, on highly unfavourable terms? Neither scenario is acceptable conduct for a Canadian Crown corporation charged with the responsible stewardship of retirement assets of federal workers whose current income relies on income tax payments by other corporations and individuals.

The case study of Revera's UK care homes demonstrates the need to address the use of tax havens and contrived corporate structures specifically designed to reduce or eliminate tax liabilities where profits are generated. The lack of publicly available information on

Revera's Canadian operations highlights a lack of transparency on both quality of care and finances in the long-term care sector. Canada's requirements for financial reporting are far below existing standards in the UK, Luxembourg and many other jurisdictions. Reforms are urgently needed in Canada to increase transparency and ensure that care is not sacrificed for profit. PSP must also ensure that Canadian and international businesses which it controls – Revera included – act responsibly and within the letter and spirit of the law. Aggressive tax avoidance schemes should not be acceptable conduct for any responsible business, particularly not a Canadian Crown corporation.

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# INTRODUCTION: PSP, Revera and the COVID-19 Crisis in Canada

Revera Inc., the second largest operator of long-term care facilities and the broader category of senior housing in Canada, is “a wholly owned subsidiary of PSPIB Investments”.<sup>1</sup> This federal public sector worker pension fund (PSP) is a major global investor with nearly C\$170 billion in assets under management. As a result of significant COVID-19 deaths, Revera is being sued for negligence and breach of contract in at least two major class action lawsuits in Ontario and Alberta.<sup>2</sup> Given the public attention on Revera, it has been noted that its owner “reports to Parliament through Treasury Board President Jean Yves-Duclos, who ultimately is responsible for the Crown corporation”.<sup>3</sup> The PSP’s “board of directors is appointed by Prime Minister Justin Trudeau and his cabinet through orders in council.”<sup>4</sup>

Despite earlier attention to COVID-19 deaths, Revera homes across Canada continue to suffer from significant outbreaks and concerns over under-staffing.

Despite earlier attention to COVID-19 deaths, Revera homes across Canada continue to suffer from significant outbreaks and concerns over under-staffing. In early November, a Revera home in Manitoba became the site of the largest care home outbreak in the province; 22 deaths were reported in less than two weeks.<sup>5</sup> The Manitoba Health Minister called an independent investigation and deployed a rapid response team

after the Revera facility mis-led the Winnipeg Regional Health Authority about only 7 of 19 workers reporting for an evening shift as the home plunged into crisis.<sup>6</sup> The opposition leader stated: “I cannot believe that this company — that is in charge of caring for the most vulnerable in our province — not only let so many people down, and let people die in their facility, but then they then had the temerity to come out and lie about it, and try and engage in a cover-up in front of the entire population of Manitoba.”<sup>7</sup>

As of November 11th, a Revera care home in Edmonton, Alberta had 66 COVID-19 cases among residents, 66 active staff cases and 10 resident deaths.<sup>8</sup> As of mid-November, a Toronto Revera care home had 31 deaths and 93 COVID-19 cases since the beginning of October.<sup>9</sup> Chronic under-staffing, exacerbated by staff infections, has been blamed for the uncontrolled spread of the virus. Revera, with the required intervention of provincial health authorities, is now attempting to mitigate the impact of the COVID-19 crisis.<sup>10</sup>

Revera is not a small investment for PSP. The long-term care company is the pension fund’s second most significant global investment “held directly or indirectly ... where it has control, joint control or significant influence”.<sup>11</sup> Despite this, no further information is provided by PSP in its 2020 annual report. Revera itself does not produce a public annual report and its website provides no information on its corporate structure or finances, but states that in Canada it has 186 managed communities, 225 owned communities, and over 22,500 managed units.<sup>12</sup> Although not clear, Revera is likely to have some ownership interests in most, if not all, of the properties it manages. Revera identifies the UK brands under which it operates 55 managed communities, 33 owned communities and over 4,000 managed units.<sup>13</sup> Revera’s management business in the US – with 268 managed communities and over 24,000

units – is even larger than in Canada. Other than Sunrise Senior Living, one of the largest senior housing operators in the US and with a presence in the UK and Canada, Revera provides no disclosure on any other US operations.<sup>14</sup>

## PSP's investment in Revera is not the first time that the pension fund's use of tax havens has been exposed.

PSP's investment in Revera is not the first time that the pension fund's use of tax havens has been exposed. In the wake of the Lux Leaks scandal in 2014, it was revealed that PSP "set up a complex arrangement of offshore companies as part of a tax 'avoidance scheme'" on investments in C\$390 million worth of real estate in Berlin, Germany.<sup>15</sup> As is the case with Revera, shell companies in Luxembourg played a key role in holding real estate investments elsewhere in Europe and helped "avoid close to [C]\$20 million in German taxes."<sup>16</sup> The Cabinet Minister and Treasury Board president, who appoints pension fund board members, stated that PSP "operates at arm's length from the federal government".<sup>17</sup> However, German officials "called it 'a very aggressive way to avoid taxes'" and "found it distressing that a government would pledge to fight aggressive tax avoidance, but then see one of its own corporations engaging in it."<sup>18</sup>

In the wake of the Paradise Papers scandal, it was again revealed that PSP – and other Canadian public pension funds – were found to be using tax havens on several global investments.<sup>19</sup> In response the President of the Canadian Labour Congress said that it was "absolutely unacceptable in terms of what we expect of pension funds, in terms of their ethical investment." Pension funds defended the use of tax havens as Canada does not tax the

investment income of pension plans and that "offshore investment structures help them legally minimize their tax burdens abroad."<sup>20</sup> Despite public concerns, it appears that nothing has been done to limit or restrict the use of tax havens and aggressive tax avoidance on international investments of Canadian public pension funds. Tax avoidance has become an issue of increasing concern to many global investors and institutions, including the UN Principles for Responsible Investment, to which PSP is a signatory.<sup>21</sup>

## CARE FOR PROFIT NOT PEOPLE

The pursuit of profit – exemplified by understaffing, inadequate training and equipment, low pay, and precarious work – appears to have dramatically and unnecessarily increased deaths in long term care homes world-wide among already vulnerable populations. In the UK, where private for-profit care homes are even more dominant than in Canada, long term care homes have also been hit hard by COVID-19. Between early March and mid-June 2020, 20,000 deaths due to COVID-19 were recorded in long-term care homes in England and Wales, but the real number is estimated to be closer to 30,000.<sup>22</sup>

Many international studies, including in Canada, the US, and Australia have shown higher rates of COVID-19 deaths in for-profit care homes, which tend to have lower staffing levels compared to non-profit and government-run homes.<sup>23</sup> Since the UK government has not disclosed COVID-19 care home deaths in order "to protect commercial interests," a detailed analysis has not been possible.<sup>24</sup> However, it is clear that staffing levels are a factor and that large for-profit providers have been particularly hard hit.<sup>25</sup>



In Australia a recent detailed analysis by the Royal Commission into Aged Care found a significant difference in all quality of care indicators, including staffing levels, between government and private, for-profit care homes.<sup>26</sup> In the state of Victoria, government-run homes, with legislated minimum staffing ratios, had zero COVID-19 deaths and an infection rate of 0.1% compared to 655 deaths and an infection rate of more than 6% in private homes.<sup>26</sup> In the wake of several US studies linking for-profit care home ownership with significantly higher rates of COVID-19 deaths, one industry observer stated that “[p]rofitmaking has no business in this so-called industry. It is nothing less than an abomination that corporate owners of chains are pulling out all of the stops to gain immunity from lawsuits even while they are killing old people with a chronic lack of care.”<sup>27</sup>

## REVERA'S RELATIONSHIP WITH WELLTOWER

Revera discloses limited financial information. However, its deep relationships with Welltower – the third largest real estate investment trust (REIT) in the US and the largest owner of senior housing – provides additional detail. Overall, more than one-fifth of Welltower's total operations – US\$436.6 million in annual net operating income – are connected to properties managed by Revera owned entities.

Revera has a 65% controlling interest in Sunrise Senior Living. Welltower holds a 34% minority interest in Sunrise but owns over 98% of 6 Sunrise properties in Canada, 120 in the US and 45 in the UK, which collectively have 14,548 units.<sup>29</sup> Sunrise is one of the largest senior housing operators in the US and is the largest relationship of Welltower with Revera or any other operator. In 2019, Welltower generated US\$327.3 million, including US\$73.5 million from the UK, in Net Operating Income (NOI) from the Sunrise properties.<sup>30</sup>

Revera's 65% share of Sunrise may generate even larger profits. Despite Welltower's US\$73.5 million from Sunrise's UK operations, the top-level Sunrise company in the UK reported a loss in 2019. As discussed in more detail below, it appears that the Revera-controlled UK company creates an artificial loss to avoid UK income tax.

Welltower's 75% ownership interest in 94 Revera managed properties (11,823 units) in Canada generated US\$109.3 million in NOI in 2019.<sup>31</sup> The remaining 25% property interest was owned by Revera. Welltower's relationship directly with Revera was the second largest relationship with any operator. Together the Sunrise and Revera relationships accounted for US\$436.6 million in NOI in 2019, or 20.8% of Welltower's total NOI.<sup>32</sup> Other relationships with Revera in both Canada and the UK, and possibly in the US, were not included in these totals.

Separately, Welltower held a 51.9% interest in 39 Chartwell properties (7,726 units) in Canada. Chartwell is Welltower's third largest operating partner behind Sunrise and Revera.<sup>33</sup> The 94 Revera properties accounted for 63% of Welltower's total Canadian NOI of US\$173.4 million in 2019 from a total of 148 Canadian senior housing properties.<sup>34</sup>

Welltower's total NOI in 2019 was US\$2.4 billion.<sup>35</sup> Welltower held larger investments in Canada than in the UK, but UK profit margins were significantly higher. In 2019, 8% of total NOI came from the UK, 7% from Canada and the remainder from the US.<sup>36</sup> Welltower's 2019 UK revenues were US\$452.7 million compared to US\$463.1 million in Canada, despite much larger investments in Canada.<sup>37</sup> In the 4th Quarter of 2019, for Senior Housing Operating (SHO) properties, revenue per occupied room was US\$8,635 per month in the UK compared to US\$2,784 in Canada.<sup>38</sup> On a per unit basis, UK properties were more than 3 times more profitable than Canadian properties.

Revera had operational interests and/or ownership interests in 63 of Welltower's 123 UK properties.<sup>39</sup> Sixty of those properties, operated by Revera-controlled Sunrise Senior Living and Signature Senior Living, generated an estimated annualised US\$84.8 million in NOI.<sup>40</sup> This was over half of Welltower's UK NOI. However, in what appears to be an aggressive tax avoidance scheme, the Revera-controlled UK operating companies reported losses.

PSP, as a federal public pension fund, is not subject to Canadian income tax payments. Whether Revera, as an operational subsidiary of PSP, is subject to Canadian income tax is more complicated. Alleged overpayments of corporate income tax by a Revera subsidiary have been the subject of recent Canadian Federal Court challenges against the Canada Revenue Agency.<sup>41</sup>

Various management fees, administrative fees, interest payments and other seemingly artificial transactions with related parties appear to be used to shift profits out of taxable entities and into tax havens.

Welltower, as a REIT, is also not generally subject to federal income tax in the US. REITs are required to pay out most of the earned income in dividends, which are taxable income at the shareholder level. However, both entities would be subject to UK income tax on the profits from operating UK care homes. As explained below, many of the UK care homes are managed by or through taxable REIT subsidiaries. However,

it appears that very little corporate income tax, if any, is paid on the significant profits generated from UK care home investments. Various management fees, administrative fees, interest payments and other seemingly artificial transactions with related parties shift profits within the complex corporate structure and appear to reduce or eliminate taxable income in the UK.

Although these UK care homes rely on private payments, the sector is sustained and supported by the publicly funded national health system. Aggressive tax avoidance schemes should not be acceptable under any circumstances. However, in this case, tax dodging undermines funding for public health while UK government spending subsidises the corporate profits of Canadian government-controlled private corporations.

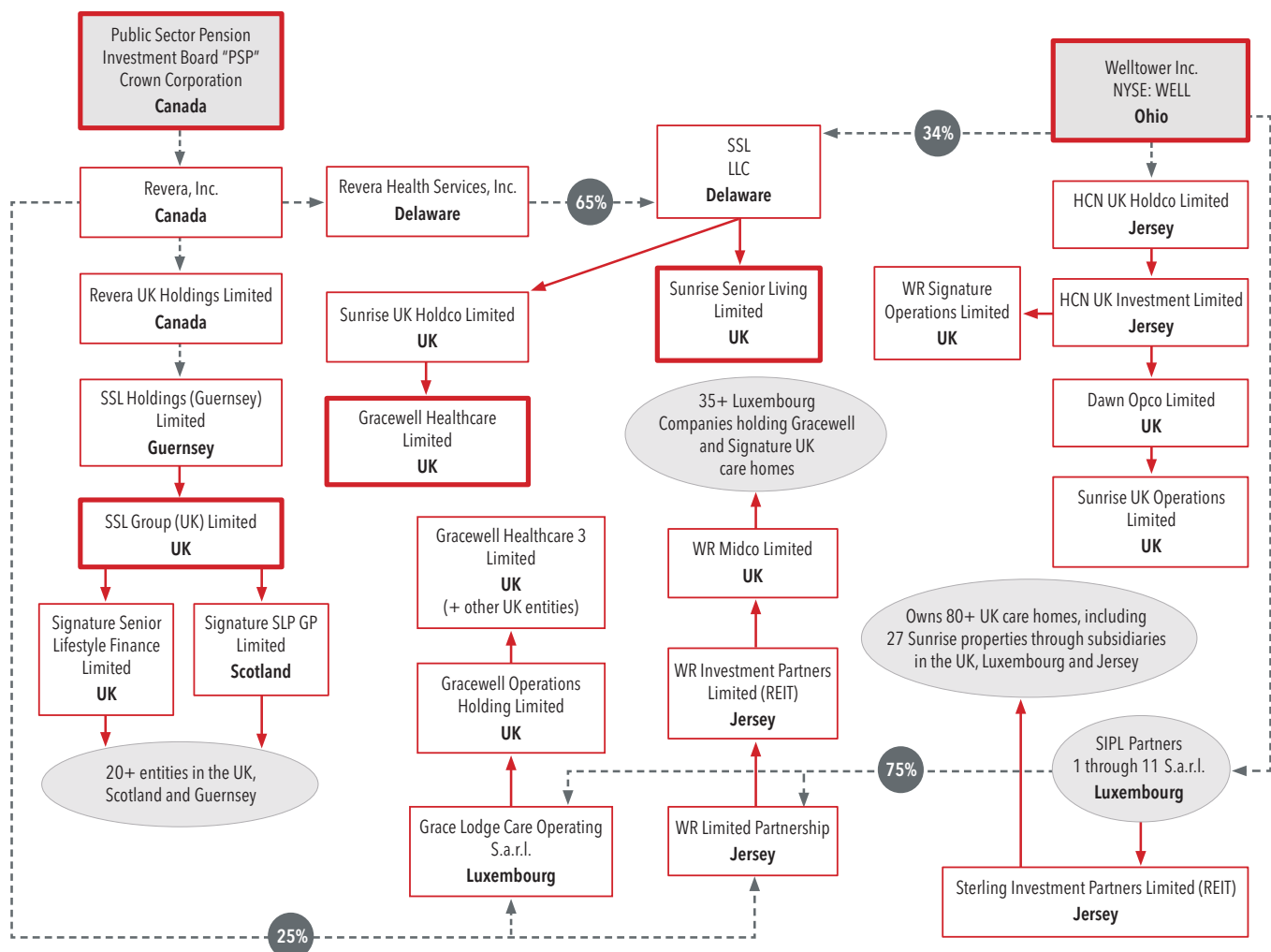
## REVERA'S UK CARE HOMES

Given the absence of any significant public reporting by Revera in Canada, a review of financial filings of Revera-controlled private companies in the UK was conducted to develop an understanding of the company's business model. In the UK, private companies are required to file annual financial statements. These UK filings, along with public reporting by Welltower, provide insights into Revera's operations and business practices that are not available in Canada.

The UK's largest home operators are private equity owned companies with a track record of aggressive tax avoidance and using complex corporate structures to shift profits offshore through tax havens.<sup>43</sup> Revera and Welltower appear to provide a model of how it is done.



# REVERA AND WELLTOWER UNITED KINGDOM CARE HOMES SIMPLIFIED CORPORATE STRUCTURE



While Revera-controlled operating companies report losses or low profits in the UK, Welltower's public reporting indicates that significant profits are being made in the UK but shifted offshore. Revera's ownership of Sunrise Senior Living represents its largest exposure to the UK care home market. There are 25 UK Sunrise care homes and Sunrise operates 18 UK care homes under the Gracewell Healthcare brand. Additionally, Revera owns the Signature Senior Lifestyle Group which operates 13 care homes and is expanding in the greater London area. All of Revera's UK investments are linked to Welltower. The table below contrasts Welltower's financial reporting on the same UK care homes to the filings of the 3 top-level UK operating companies controlled by Revera.

Welltower has ownership interests in UK care homes run by other operators, the largest of which is Avery. Welltower owns 59 Avery care homes and has a minority ownership interest in the operator. Revera has a minority ownership interest in 3 Avery homes. Welltower, with 123 properties and gross real estate investments valued at US\$2.9 billion, is one of the largest owners of care homes in the UK.<sup>44</sup>

## SUNRISE SENIOR LIVING LIMITED

The top UK holding company for the management of Sunrise and Gracewell properties is Sunrise Senior Living Limited.<sup>46</sup> Sunrise Senior Living Limited's immediate parent undertaking is Sunrise Senior Living LLC (SSL LLC) in Delaware, one of the world's most utilised tax havens.<sup>47</sup> "Revera Health Services Inc. ("Revera") owns a 65.3% indirect interest in SSL LLC, Welltower Inc. owns a 34% indirect interest and a member of SSL LLC senior management owns the remaining 0.7% indirect interest. The directors consider Public Sector Pension Investment Board (the ultimate parent undertaking of Revera), a Canadian crown corporation, to be the ultimate parent and controlling party."<sup>48</sup> Revera Health Services Inc is also incorporated in Delaware.<sup>49</sup>

Sunrise Senior Living Limited "generates revenues from the management of senior living communities."<sup>50</sup> While the average number of residents in 2018 (2,106) declined by the 3%, the company faced a 7% drop in revenue in 2018.<sup>51</sup> This was due in part "to the impact of communities no longer charging community fees and reducing the fees charged after death."<sup>52</sup> The UK government's Competition and Markets

### COMPARATIVE REPORTING ON REVERA UK CARE HOMES<sup>45</sup>

US\$ millions	# Care Homes	Revenue	Profit/Loss
Welltower/Revera UK	56	\$333.68	\$84.80
Sunrise UK	25	\$9.77	-\$0.27
Gracewell	18	\$5.15	\$1.01
Signature	13	\$76.43	-\$13.33
Revera UK Subtotal	56	\$91.34	-\$12.60



Authority (CMA) reached a settlement with Sunrise Senior Living Ltd, Revera, Welltower, and related corporate entities in May 2018, which “secured more than £2m [US\$2.64 million] in compensation for residents... as part of an investigation into compulsory ‘upfront fees’.”<sup>53</sup>

The CMA determined that community fees charged to residents “whilst in receipt of NHS [National Health Service] continuing healthcare” were “not compatible with NHS rules or consumer law” and secured an agreement from Sunrise that “such fees will not be charged at all to new residents.”<sup>54</sup> The excessive fee charges and fees charged after death, banned by the government, appeared to generate a significant portion of overall revenues.

Management fee revenue, paid by Welltower-controlled entities, was over £7 million in 2018, but profits were eliminated by administration expenses of nearly £7.2 million. Total declared profits after tax in 2018 were only £161,000.<sup>55</sup> Although management fee revenue increased to £7.4 million in 2019, the company reported a loss of £205,000, driven by an increase in administrative expenses to over £9 million.<sup>56</sup> Undefined “administrative expenses” – likely paid to other related parties – are frequently used in corporate structures to reduce taxable income.

The average number of residents (2,020) fell by a further 4% in 2019, but the average daily fees paid by residents increased from £191 to £200 in all facilities.<sup>57</sup> In contrast to the management fees of £7.4 million paid by Welltower-controlled entities, total fees paid by residents at a daily rate of £200 would be £147.5 million. Where does this revenue from resident fees go?

The 2018 financial statements forecast higher future profits, “with any excess cash being remitted to the parent via increased intercompany receivables.”<sup>58</sup>

The immediate parent company is SSL LLC in Delaware, where the ‘excess cash’ from ‘intercompany receivables’ would not be subject to income tax. In 2018, £4.3 million in dividends were paid SSL LLC in Delaware; no dividends were paid in 2019.<sup>59</sup> Dividends between group companies are generally not subject to corporate income tax in the UK or Delaware and reduce taxable income in the UK.

The 2019 financial statements, partially due to the impact of the COVID-19 pandemic, projected pre-tax profits to be much lower at £215,000 in 2020, and a loss of £1.7 million in 2021.<sup>60</sup> Given the expectation of revenue from resident fees continuing to be nearly £150 million per year, continued related party transactions will reduce future taxable profits in the UK by far more than any COVID-related impacts.

While there are legitimate uses of related party lending, large related party loans are a frequent hallmark of aggressive tax avoidance strategies. Related party interest payments can artificially reduce taxable income and shift profits into structures and places where they are subject to little, if any, corporate income tax.

Sunrise Senior Living Limited reported that it generated tax credits of £2,822 and £2,243 in 2019 and 2018, respectively.<sup>61</sup> No corporate income tax was paid in 2019 and there was an income tax payment of £555,696 in 2018.<sup>62</sup>

Despite reported management fee revenues of over £7 million and estimated resident fee revenue approaching £150 million in both years, minimal tax payments were made by Sunrise Senior Living Limited, the top-level UK company.

In 2018 and 2017, the company was owed £4.7 million and £9.4 million by related parties and owed £1.8 million and £3.3 million to two of the same related parties. In 2019, the company was owed nearly £3.2 million by Gracewell Healthcare Ltd and owed over £1 million to its parent company and to Sunrise UK Holdco Ltd.<sup>64</sup> While there are legitimate uses of related party lending, large related party loans are a frequent hallmark of aggressive tax avoidance strategies. Related party interest payments can artificially reduce taxable income and shift profits into structures and places where they are subject to little, if any, corporate income tax.<sup>63</sup>

Management fees paid to Sunrise Senior Living Limited from 2017 - 2019 were paid by subsidiaries of HCN UK Investments Limited, a company incorporated in the tax haven of Jersey and ultimately owned by Welltower.<sup>65</sup> HCN UK Investments Limited's shares are owned by HCN UK Holdco Limited at the same address in Jersey, and its shares are held by Welltower.<sup>66</sup>

The names of all 26 of the HCN UK Investment Limited subsidiaries paying management fees to Sunrise Senior Living Limited in 2017, except Sunrise UK Operations Ltd, begin with "Sunrise Operations...".<sup>67</sup> Sunrise UK Operations Ltd paid £5.6 million out of total payments of £7.0 million, up from £2.4 million out of £7.6 million in total payments in 2017.<sup>68</sup> Payment of management fees to Sunrise Senior Living Limited were further consolidated under Sunrise UK Operations Limited in 2019, with its payments increasing to nearly £6.4 million, and smaller payments from only 4 other "Sunrise Operations..." entities.<sup>69</sup> While these

management fee payments are flowing from Welltower-controlled entities to Sunrise Senior Living, resident fee revenue approaching £150 million per year is flowing elsewhere. Taxable profits are eliminated through various and seemingly artificial intra-group transactions designed to shift profits to where they are taxed the least, or not at all.

In compliance with legal requirements, Sunrise publishes its "UK Tax Strategy" which states that the "group's tax strategy is to comply with the tax laws and regulations in the UK and all of the countries in which it operates, while considering any government sponsored tax reliefs and incentives available to it. ...The group believes that it should pay the right amount of tax legally owed in the UK. ... while minimising the risk that anything it does could be considered tax avoidance and all decisions will be based on commercial rationale."<sup>70</sup> As is the case with most multinationals, and despite its 65% ownership by a Canadian Crown corporation, Sunrise is simply stating that it tries to not break tax laws but will take all available efforts to minimise payments. The notion that Sunrise's UK complex corporate structure is based on commercial rationale and not tax avoidance appears to be absurd. The language used by Welltower in its "Tax Policy" is very similar except that it adds "it should pay the right amount of tax legally owed in the UK, while avoiding double taxation where possible and maximizing shareholder returns."<sup>71</sup> Welltower will also consider "all tax reliefs and incentives available, while minimizing the risk that anything it does could be considered tax contrived or artificial avoidance."<sup>72</sup>

Welltower made an estimated US\$85 million in annual net operating income from its UK care home investments with Revera in 2019, including its 34% interest in Sunrise Senior Living, and its 100% property ownership through Jersey. How much did Revera profit from its 65% interest in



Sunrise Senior Living? The profits, or lack thereof, reported by Revera in its UK controlled operating entities appear to be artificially low. Is this an explicit effort by Revera to lower tax liabilities in the UK, or does its partnership produce far greater profits for Welltower?

## WELLTOWER'S JERSEY OWNERSHIP OF SUNRISE UK OPERATIONS

Sunrise UK Operations Limited is directly owned by Dawn Opco Limited incorporated in the UK.<sup>73</sup> Dawn Opco Limited, which reported a loss of £58.8 million due to the reduced value declared for subsidiaries, had no employees and no business other than holding UK operating companies.<sup>74</sup> Dawn Opco Limited's "immediate parent undertaking is HCN UK Investments Limited, a company registered and incorporated in Jersey."<sup>75</sup> As mentioned above, Jersey is widely regarded as a tax haven and HCN UK Investments Limited is ultimately owned by Welltower.<sup>76</sup>

Lease payments, administration expenses and management fees appear to be largely paid to related parties in the complex Welltower and Revera corporate structure. Related party payments are frequently used to artificially reduce taxable profits. Not only were UK tax payments entirely eliminated, but the company earned a tax credit.

Welltower, as a US REIT, is generally not taxed at the corporate level, but it is required to pay out dividends which are subject to income tax when distributed to shareholders. However, the operating entities owned through Jersey but incorporated in the UK are taxable REIT subsidiaries. These Welltower-controlled UK entities pay management fees to Sunrise Senior Living Limited. Is Welltower using Jersey subsidiaries and ownership structures to avoid income tax in the UK and/or in the US? Jersey's corporate income tax rate is zero percent (0%).

In 2019, Sunrise UK Operations Ltd operated 23 facilities – with operations of two additional Sunrise facilities to be consolidated in 2021 – and reported revenue of £128.1 million.<sup>77</sup> Operating expenses of £135 million – including lease payments of nearly £41 million, other administration expenses of £19.8 million, and management fees of £7.7 million – resulted in an operating loss of £6.9 million.<sup>78</sup> Lease payments, administration expenses and management fees appear to be largely paid to related parties in the complex Welltower and Revera corporate structure. Related party payments are frequently used to artificially reduce taxable profits. Not only were UK tax payments entirely eliminated, but the company earned a tax credit. An £8.7 million UK tax credit resulted in profit after tax of £1.9 million.<sup>79</sup>

Sunrise UK Operations Ltd reports that the "day to day running of the Company's operations is performed by Sunrise Senior Living Limited (SSL), the management company, and is supervised by Welltower."<sup>80</sup> As mentioned above, SSL also reported a loss in 2019. Are profits shifted to Jersey and/or to intermediate property holding shell companies in Luxembourg?







# GRACEWELL HEALTHCARE LIMITED

Sunrise Senior Living Limited is the operator of 18 Gracewell branded UK care homes. The Gracewell properties are separately owned through Luxembourg subsidiaries of a Jersey registered and incorporated REIT jointly owned by Welltower and Revera (see below). This Jersey REIT also owns the majority of Signature Senior Living properties in the greater London area.

Sunrise UK Holdco Limited, whose only business is the investment in its subsidiary Gracewell Healthcare Limited, is directly owned by SSL LLC in Delaware. As with Sunrise Senior Living Limited, the 65%/34% Revera/Welltower ownership is reported along with the statement that the “directors consider Public Sector Pension Investment Board (the ultimate parent undertaking of Revera), a Canadian crown corporation, to be the ultimate parent and controlling party”.<sup>82</sup> Sunrise UK Holdco Limited reported a 2019 profit of only £127,000 after a loss of £4.4 million in 2018.<sup>83</sup> No tax was paid in either year.<sup>84</sup>

According to the UK filings, Gracewell’s profits – as with Sunrise Senior Living Limited – appear to be limited. Gracewell’s “principal activity is the provision of management services in respect of residential and nursing care facilities in the UK” where it “managed 21 facilities”.<sup>85</sup> In 2019, revenue from management fees increased by 9% from the previous year, “due to an 8% increase in the average number of residents...and an increase in the average daily rate”.<sup>86</sup> With an average of 1,226 residents and average daily resident fees of £173.54, total revenue from resident fees would have been an estimated £77.7 million in 2019.<sup>87</sup> However, management fee revenue was reported as £3.9 million with profits of only £762,000.<sup>88</sup> Even on the low levels of reported management fees, paid by related parties, administration expenses of

nearly £3 million appear to have helped shift the remaining limited taxable profits out of the UK.<sup>89</sup> The company, with no employees, managed to generate a tax credit of £1,000.<sup>90</sup>

Large related party transactions through complex corporate structures involving tax havens can be used to shift profits to where they may be taxed the least, or not at all.

Gracewell was owed £18.8 million by Sunrise UK Holdco Ltd as “part of a reorganisation of the Gracewell Group prior to its acquisition by the Sunrise Group in 2014 and was intended to be a long term outstanding debt.”<sup>91</sup> Gracewell owed group companies £3.2 million and owed “related undertakings” £7.1 million in 2019, as trade and other payables.<sup>92</sup> Once again, large related party transactions through complex corporate structures involving tax havens can be used to shift profits to where they may be taxed the least, or not at all.

In 2019, Gracewell Healthcare Limited reported that the £3.9 million in management fees were “income from related undertakings under management contracts for services rendered on an arm’s length basis in respect of management and support of senior living communities in the UK owned by subsidiaries of HCN UK Investments Limited with the exception of Gracewell Operations (Ascot) Ltd, which is owned by Revera UK Holdings Limited”, an Ontario, Canada incorporated company.<sup>93</sup>

The reported ownership and management fee payments through subsidiaries of HCN UK Investments Limited, as reported in the Gracewell Healthcare Limited filing, may be an error. The Gracewell UK care homes, as reported



elsewhere, are not owned by subsidiaries of HCN UK Investments Limited, but by Luxembourg subsidiaries of another Jersey entity (see section below). Management fees are paid to Gracewell Healthcare Limited by other UK entities that are owned through another Luxembourg company, and do not appear to be directly connected to HCN UK Investments Limited. HCN UK Investments Limited in Jersey, as described above, does own the UK Sunrise care homes.

Gracewell Healthcare 3 Limited, paid nearly £3.1 million in management fees to Gracewell Healthcare Limited in 2019.<sup>94</sup> Along with other companies that paid smaller amounts of management fees, Gracewell Healthcare 3 Limited is a subsidiary of Gracewell Operations Holdings Limited.<sup>95</sup> This UK entity is in turn owned by Grace Lodge Care Operating S.a.r.l., incorporated in Luxembourg.<sup>96</sup> Although the direct ownership of the Luxembourg entity is not disclosed, it appears that Revera has 25% ownership and that Welltower owns the remaining 75%. Luxembourg filings reveal that Frank Cerrone, the Senior Vice President, General Counsel and Secretary of Revera, is a director of this Luxembourg shell company and many other Luxembourg shell companies involved in Revera's UK care home business.

Gracewell Healthcare 3 Limited, whose "ultimate shareholders" are "Welltower Inc and Revera Inc", operated 17 facilities in 2019, with an average daily fee paid by residents of £174.<sup>97</sup> Two "remaining facilities that operate under the Gracewell brand" were consolidated into the company in February 2020.<sup>98</sup> Although Gracewell Healthcare 3 Limited's 2019 revenue was £61.4 million, operating expenses of nearly £71 million resulted in an operating loss of £9.5 million.<sup>99</sup> A tax credit of £4.4 million reduced the loss after tax to only £5.1 million.<sup>100</sup> The same pattern of related party expenses shifting taxable profits appears to continue.

Gracewell Operations Holding Limited, the direct parent entity, reported a profit of under £1.1 million in 2019.<sup>101</sup> Administrative expenses of £3.3 million resulted in an operating loss of the same amount, but the £4.3 million in income from fixed asset investments and a tax credit of £49,000 produced a small profit.<sup>102</sup> This income resulted from dividends "received on the liquidation of subsidiaries".<sup>103</sup> No current tax charge was reported.<sup>104</sup>

As with the operating subsidiary, Gracewell Operations Holding Limited's 2019 financial statement reports that, in light of the impact of COVID-19, "the Company's ultimate shareholders, Welltower Inc. and Revera Inc., have confirmed that they will continue to support the Company" and that Revera, "which also provides funding to the Company... is forecast to have sufficient liquidity" to provide that support.<sup>105</sup> The filing further states that Revera "has several billions in assets and owns or operates more than 500 properties" and "is a wholly owned subsidiary of PSP Investments."<sup>106</sup>

## THE WELLTOWER/ REVERA JERSEY REIT: WR INVESTMENT PARTNERS LIMITED

Gracewell and Signature UK care homes are predominately owned by WR Investment Partners Limited, a REIT incorporated in Jersey.<sup>107</sup> Thomas Wellner, Revera's CEO, is one of three company directors.<sup>108</sup> "The Company is owned 100% by WR Limited Partnership, which is owned 75% by Welltower Inc. and subsidiaries, incorporated in the United States, and 25% by Revera Inc. and subsidiaries, incorporated in Canada."<sup>109</sup> WR Limited Partnership is also incorporated in Jersey, but Jersey filings for the partnership do not provide any information on its direct owner.

The Jersey REIT owns 31 properties, 19 Gracewell branded properties leased to Sunrise Senior Living, 9 properties leased to Signature and 3 leased to Avery.<sup>110</sup> Each UK property is owned by a separate subsidiary incorporated in Luxembourg, except for one Luxembourg subsidiary, WR Signature DP 2 S.a.r.l., which owns three Signature UK properties.<sup>111</sup> There were six other Luxembourg incorporated subsidiaries not directly related to UK care home properties and one UK subsidiary, WR Midco Limited.<sup>112</sup>

At the end of 2018, WR Midco Limited was the direct owner of three Luxembourg holding companies and the indirect owner of the Luxembourg UK care home property companies that all shared the same Luxembourg address at 6 Rue Dicks.<sup>113</sup> This is the Luxembourg address of Trustmoore, “an investment trust company with offices in tax havens around the world.”<sup>114</sup> Other Luxembourg shell companies that are part of the corporate structure share the same address.

WR Midco Limited reported a loss of £2.5 million in 2018, compared to a profit of £16.2 million in 2017, and had net assets of £280 million.<sup>115</sup> The loss for the company, which had “no employees other than the directors,” was entirely due to administrative expenses.<sup>116</sup> The profit in 2017 derived from £16.2 million in dividends received from subsidiaries.<sup>117</sup> A small tax credit was generated in 2018 and no tax was paid in 2017 as dividend income from group companies is not subject to income tax in the UK.<sup>118</sup> Thomas Wellner, Revera’s CEO, is a director of WR Midco Limited, and Frank Cerrone, Revera’s Senior Vice President and General Counsel, is a director of all Luxembourg subsidiaries that were examined.

WR Investment Partners Limited’s 2019 financial statements report that the Group “contemplates the completion of a planned restructuring under which the Group will sell its trade and assets to

a sister company on an arm’s length basis and at fair market value.”<sup>119</sup> At the time, the expectation was that the restructuring would be completed by July 2020.<sup>120</sup> It is unknown if the re-structuring has occurred or what the new structure will be.

WR Investment Partners Limited reports that on “31 December 2018, the Group acquired Gracewell Properties Holdings S.a.r.l. from affiliates of Welltower, Inc. The transaction was financed by £133,164,000 of share capital proceeds received from WR Limited Partnership. The transaction added 22 new properties to the portfolio which are leased to affiliates and managed by Avery Healthcare and Sunrise Senior Living (19 Gracewell Properties) under long term RIDEA operating leases [explained below].”<sup>121</sup> Two other properties, managed by Signature Senior Lifestyle and also under RIDEA operating leases, were added in separate transactions with affiliates of Welltower at the same time.<sup>122</sup> This raised “future minimum lease payments receivable under operating leases” to £46.2 million in 2020, which will increase to £47.2 million by 2024.<sup>123</sup> It appears that these minimum lease payments would be generated mostly, if not entirely, from properties managed by operators controlled by Revera.

RIDEA, an acronym for the REIT Investment Diversification and Empowerment Act enacted in the US in 2007, “allowed REITs to participate in the actual net operating income, as long as there was an involved third party manager. The legal structuring includes creating Taxable REIT Subsidiaries (TRS), with an in-place lease between the landlord and tenant entities (both owned by the REIT).”<sup>124</sup> Rather than standard 2-3% annual rent increases under typical triple net leases, this allows for REITs to share in rent increases, occupancy increases, and overall operational improvements, but increases risk in the event of weakening operational performance.<sup>125</sup>

## Given the use of taxable REIT subsidiaries as operating companies, it may also explain the extensive use of tax haven subsidiaries to avoid tax on operating incomes.

If the Revera operated properties perform well, the RIDEA operating leases could produce returns significantly higher than the disclosed minimum lease payments. This RIDEA operating lease structure indicates that Welltower's profits on its UK investments would be closely aligned with Revera's. Given the use of taxable REIT subsidiaries as operating companies, it may also explain the extensive use of tax haven subsidiaries to avoid tax on operating incomes. WR Investment Partners Limited as a REIT "does not pay tax on any property income or gains on property sales as long as it distributes at least 90% of its profits from its tax-exempt property rental business to shareholders, which become taxable at the shareholder level."<sup>126</sup> However, given the shareholder ownership of this REIT through a Jersey Limited Partnership and the corporate income tax rate of 0% in Jersey, it is unlikely that any income tax is paid on distributions to the immediate shareholder.

In 2019, WR Investment Partners Limited declared a distribution of £8.8 million to the Company's immediate parents after reporting net income from cash flow from operations of £9.2 million.<sup>127</sup> In addition to the tax-free distributions derived from UK care homes, tax-free profits were extracted from the UK in other ways as well. More than double the distribution, nearly £18 million in interest payments were made to affiliates in 2019.<sup>128</sup> The Group had loans worth £338.1 million from Welltower and Revera UK Holdings Ltd with a 75/25 split and interest rates ranging from 4.8-6%.<sup>129</sup>

This offshore related party debt is over half the £640.6 million book value of all physical assets (property, plant and equipment) after depreciation.<sup>130</sup> Interest income paid to subsidiaries in Delaware, Luxembourg or other tax havens is generally not subject to income tax either.

In 2019, the property values with the three operators were exactly aligned with the percentage of rental income, with Avery's three properties representing 6% of property value and rental income, Signature's nine properties representing 58%, and Sunrise's (Gracewell) 19 properties representing 36%.<sup>131</sup> Rental income from the three operators totalled £45.6 million, not including £9.9 million in straight line rent receivable from Signature.<sup>132</sup>

Welltower owns a separate Jersey REIT called Sterling Investment Partners Limited, which at the end of 2017, owned 83 UK care home properties, including 27 operated by Sunrise Senior Living, which was considered an affiliate, and 4 Signature properties.<sup>133</sup> The 27 Sunrise properties were valued at £697.3 million and produced £46.7 million in annual rental income.<sup>134</sup> In 2019, Welltower's ownership in both Jersey REITs was held through a series of Luxembourg companies. SIPL Investments S.a.r.l. held 100% interests in 11 other Luxembourg companies, SIPL Partner 1 through 11 S.a.r.l. and 75% interest in WR GP Limited in Jersey.<sup>135</sup>

SIPL Partners 1 and 2 both showed a 9.09% interest in Sterling Investment Partners Limited in Jersey and an 8.325% interest in WR Limited Partnership in Jersey.<sup>136</sup> WR Limited Partnership, in which Revera has a 25% interest, is the direct owner of the WR Investment Partners Limited. While the percentage ownerships and book values for the two Jersey entities are the same in these two Luxembourg entities, the net equity values and profits reported were substantially different. SIPL Partner 1 reported net equity in the WR



Limited Partnership of £22.9 million compared to £275.2 million for SIPL 2 and profits for SIPL Partner 1 of £2 million for WR Limited Partnership, compared to £17.7 million for SIPL Partner 2.<sup>137</sup> The Luxembourg filings contain limited information. There is no way to determine why the same ownership produced different results. The filings of the other nine SIPL Partner entities were not examined for this report. It is not clear how Revera holds its 25% interest in WR Limited Partnership in Jersey.

## SIGNATURE SENIOR LIFESTYLE'S GUERNSEY OWNERSHIP AND SCOTTISH LIMITED PARTNERSHIPS

Revera is the owner of the top-level management company for the Signature Senior Lifestyle care homes which are mostly owned through the Jersey REITs. The SSL Group (UK) Limited is the "holding company of the Signature group of companies" whose principal activities include the "development and operation of senior living facilities".<sup>138</sup> The company's ultimate, but not immediate, parent is Revera, Inc. in Canada and "the directors consider the ultimate controlling party to be The Public Sector Pension Investment Board."<sup>139</sup> The immediate ownership of the SSL Group (UK) Limited is not disclosed in the most current (2018) financial statements.

The only direct subsidiary of SSL Group (UK) Limited is Signature Senior Lifestyle Holdings Limited, which in turn holds the rest of the Signature group's complex corporate structure in the UK.<sup>140</sup> In 2017 and 2018, Signature Senior Lifestyle Holdings Limited, as an intermediate holding company, received £7.7 million and £2 million in income from investments in group companies and paid out the same amount in

dividends to its immediate parent company.<sup>141</sup> As previously stated, dividend income within the same corporate group is not subject to income tax in the UK.

Signature has 13 homes in operation in the greater London area and 6 new homes under construction.<sup>142</sup> The company reported an after tax loss of £5.4 million in 2018, down from a loss of £9.2 million in 2017.<sup>143</sup> In both years tax credits reduced the reported after tax loss.<sup>144</sup> In 2018, the company reported total turnover of £61.5 million, but the cost of sales of £39.8 million, reduced gross profit to £21.7 million and administrative expenses of £31.8 resulted in a group operating loss of £10.1 million.<sup>145</sup> The Signature group repeats the same pattern of losses in other Revera controlled top-level UK care home companies.

In 2018, most of the turnover, £57.9 million, came from the operation of senior living communities.<sup>146</sup> Payment for operating leases, presumably to related parties but not disclosed, was £24.4 million in 2018.<sup>147</sup>

In 2018, the company consolidated all of its debt "into one facility payable to Revera Holdings UK Ltd, who are also the parent of the Group."<sup>148</sup> No such entity was identified. Presumably, this should be Revera UK Holding Ltd, incorporated in Ontario, Canada. In 2018, SSL Group (UK) Limited reported a loan of £23.1 million "repayable in full on 30 June 2023 and bears interest at 10% per annum."<sup>149</sup> The seemingly excessive 10% interest rate is another way to extract tax-free profits from the UK. In 2018, Signature paid £3.4 million in interest payments, which is equivalent to 63% of its reported after tax loss.<sup>150</sup>

Signature Senior Lifestyle Holdings Limited, the intermediate holding company, has two direct subsidiaries, Signature Senior Lifestyle Finance Limited and Signature SLP GP Limited, which is

a general partner, and registered in Scotland.<sup>151</sup> There is also “a directly held 1% share in each of SSL Investments (DP2) LP and SSL Investments (DP3) LP, both of which are Scottish limited partnerships and registered at the same address of the directly held general partner.<sup>152</sup> While there is no suggestion or indication of illegal activity in this context, Scottish Limited Partnerships have limited reporting requirements and have been used for money laundering.<sup>153</sup> Income from Scottish Limited Partnerships is not taxed at the partnership level.<sup>154</sup> It is unclear why Scottish Limited Partnerships are being used in the Signature Group, which has no other ties to Scotland.

**Income from Scottish Limited Partnerships is not taxed at the partnership level. It is unclear why Scottish Limited Partnerships are being used in the Signature Group, which has no other ties to Scotland.**

SSL Investments (DP2) LP was dissolved in July 2020, but SSL Investments (DP3) LP continues to be active and other entities with similar sequential names have been established.<sup>155</sup> Filings also indicate that in February 2015, SSL Group (Guernsey) Limited was admitted as a limited partner of this Scottish Limited Partnership.<sup>156</sup> According to Companies House, until June 2019 SSL Holdings Guernsey Ltd, incorporated in Guernsey, was registered as the parent of the Signature Group of companies.<sup>157</sup>

A search of the Guernsey registry indicates that SSL Holdings (Guernsey) and SSL Group (Guernsey) are active companies. Annual Validation (2019) forms for both Guernsey

companies, submitted in February 2020, show that it has the same four directors as the SSL Group (UK) Limited, including Revera’s President and CEO.<sup>158</sup> Both companies are classified as “Financial Product Companies” whose economic activity is “Active equity holding company with significant shareholder control over another entity”.<sup>159</sup> Little other information is provided in these forms.

A “Special Resolution” of SSL Holdings (Guernsey) Limited, dated 28 February 2020, proposed “the existing Articles of Incorporation of the Company be rescinded and substituted in their entirety with the new Articles of Incorporation attached as Appendix 1.”<sup>160</sup> The “Special Resolution” was signed on behalf of Revera UK Holdings Ltd “(company number 2449518) incorporated under the laws of the Province of Ontario” by Revera’s President and CEO and Revera’s Senior Vice President, General Counsel and Secretary.<sup>161</sup> The Signature Group of Companies in the UK was clearly owned through Guernsey. It appears that Revera still owns the Group through these Guernsey entities, but the Guernsey ownership is no longer reported in the current UK filings.

SSL Holdings (Guernsey) Limited  
A company incorporated under the laws of the Island of Guernsey  
Registered Number 59613  
(the “Company”)  
**WRITTEN SPECIAL RESOLUTION**  
Circulation Date: 25 February 2020

In accordance with section 182 of the Companies (Guernsey) Law, 2008, as amended, (the “Companies Law”), the directors of the Company propose that the following resolution be passed as a written special resolution (the “Special Resolution”).

Before signing this document please see the notes below explaining how you should indicate your approval of the Special Resolution.

**SPECIAL RESOLUTION**

That in accordance with section 42(3) of the Companies Law, the existing Articles of Incorporation of the Company be rescinded and substituted in their entirety with the new Articles of Incorporation attached as Appendix 1.

Please signify your agreement to the Special Resolution by signing and dating below:

Revera UK Holdings Ltd \_\_\_\_\_ ALL  
Shares voted in favour\*

Dated: 28 February 2020

**FRANK CERRONE**  
Senior Vice President  
\*either specify that ALL shares are voted in  
favour or the number of shares voted in favour

**THOMAS G. WELLNER**  
President and  
Chief Executive Officer

There are other Guernsey connections as well. At the end of 2018, SSL Group (UK) Limited held a 20% investment in SSL Partners III LP, a UK limited partnership and “the group’s wholly owned subsidiary undertaking Signature Senior Lifestyle GP III LLP acts as a general partner,” but “with the benefit of legal consultation, established that they are unable to exercise significant influence over the Partnerships and, as a consequence, the Partnerships are not regarded as either associates or subsidiaries of the group.”<sup>162</sup> However, “SSL Partner III LP and its subsidiary undertakings are regarded as related parties.”<sup>163</sup> Related party transactions include development management fees charged to Signature of Reigate (Property) Guernsey Limited, which is owned by SSL Partners III LP.<sup>164</sup> This entity and one other Signature property company, continue to be registered in Guernsey, while several other Signature property companies in Guernsey have been dissolved.<sup>165</sup> The 2017 financial statements for SSL Group (UK) Limited report that SSL Holdings (Guernsey) Limited is the company’s ultimate controlling party and report related party transactions with four other Guernsey property companies.<sup>166</sup>

The extensive use of corporate structures weaving through the tax havens of Guernsey, Jersey and Luxembourg and the contrast in UK profits reported by Welltower and the losses reported by Revera-controlled UK operating companies appear to be a clear indication of aggressive tax avoidance.

## TIME TO CROWN GENUINE RESPONSIBILITY, ACCOUNTABILITY AND TRANSPARENCY

The Public Sector Pension Investment Board (PSP), as a Canadian Crown corporation entrusted with the deferred wages and retirement benefits of Canadian federal service workers, should be setting an example of ethical and responsible business and investment practices. Revera – 100% owned by PSP – appears to fall below acceptable standards for ethical and responsible corporate conduct. Revera’s Canadian business, underpinned by public funding to provide long-term care to seniors and people with disabilities, lacks sufficient transparency and accountability.

Revera, along with other large for-profit long term care operators in Canada, is under serious pressure due to high numbers of resident deaths caused by COVID-19. COVID-related deaths have exposed and exacerbated the persistent underlying structural problems in Canada’s long term care sector, particularly under-staffing, low pay, inadequate benefits, heavy workloads, high levels of violence, high turnover for frontline workers, and a lack of national care standards. Allegations have been made against Revera, and other large for-profit operators, that the pursuit of private profit has been at the expense of public health. There are now growing calls to bring long-term care into public control in Ontario and across Canada, and a specific call to “Make Revera Public.”<sup>167</sup>

The opaque operations appear to violate PSP’s economic, social and governance commitments under its own stated responsible investment principles and the United Nation’s Principles for Responsible Investment, to which it is a signatory.<sup>168</sup>



The aggressive tax avoidance schemes of Revera's UK investments – and possibly other PSP international investments – appear to violate the OECD's Guidelines for Multinationals, the OECD's efforts to tackle Base Erosion and Profit Shifting (BEPS), and to impede progress towards achieving the global Sustainable Development Goals (SDGs). Conduct in the UK may reflect Revera's corporate culture and conduct in Canada and the US, but that is not possible to determine due to the lack of transparency. Revera provides even less information on its significant senior housing operations in the US than it does in Canada. Revera does not even publicly disclose the names of US operating companies that it owns.

Greater reporting requirements for private companies in the UK, along with reporting by Welltower on jointly owned and/or operated UK care homes, provide significant insight into Revera's UK investments. The analysis in this report indicates that Revera's UK care home investments are highly profitable, but Revera and Welltower have structured UK investments through tax havens in what would appear to be a scheme to shift profits to avoid tax on profits generated from UK operations, and even claim tax credits. As the private for-profit care home market in the UK is dominated by private equity firms, these tax avoidance practices are not unique to Revera. However, as an entity owned by a public sector pension plan and a Crown corporation these practices are completely unacceptable and not in line with the spirit of the law.

The public sector in Canada and around the world depends on corporations paying a fair share of corporate income taxes to ensure public services are available to everyone based on need. Aggressive tax avoidance by Revera and other multinationals is a clear example that rules can be bent or ignored by those with money and influence. This effectively undermines

public confidence in business, governments, and democracy itself. Aggressive tax avoidance increases economic inequality and intersecting social barriers by depriving governments of revenue needed to protect and enhance public health, education, and other social protections, while forcing others – with less resources, power, and influence – to pay more.

Aggressive tax avoidance increases economic inequality and intersecting social barriers by depriving governments of revenue needed to protect and enhance public health, education, and other social protections, while forcing others – with less resources, power, and influence – to pay more.

If a government-controlled entity is prepared to structure its business to intentionally avoid corporate income tax, why should any business act within both the letter and the spirit of the law as mandated by the OECD Guidelines for Multinationals?

As long-term investors, government entities in general and worker pension funds in particular, must lead by example and act responsibly in all communities in which they operate. Although Revera's UK care home business is largely based on private pay and not public funding, aggressive tax dodging undermines the ability of the UK government to fund its public health care system, which even private pay homes rely upon.

## PSP must transform its rhetoric about responsible investment into action. The Revera case study may be an example of a much broader problem.

Revera's aggressive tax avoidance in the UK, while reflective of broader misconduct in the UK's social care sector, is not a responsible business practice. PSP must transform its rhetoric about responsible investment into action. The Revera case study may be an example of a much broader problem. Greater levels of transparency and accountability must be required from PSP and other Canadian public pension funds immediately. Such requirements should also be mandated for all private, for-profit long term care homes in Canada that receive public funding.

While the necessary and needed reforms in seniors care in Canada and the UK, currently driven by private for-profit market models, are beyond the scope of this analysis, there are a number of immediate recommendations that should be adopted.

## RECOMMENDATIONS

- Revera should immediately produce clear and transparent reporting on its finances, operations and corporate structure in Canada, comparable to reporting for its primary competitors, which are publicly listed companies. Contributors to and beneficiaries of PSP, along with the entire Canadian population, are stakeholders who have a right to know details about Revera's operations and whether they align with community expectations. This could be a precursor for making Revera a genuinely publicly owned and operated company.
- All private companies in Canada which receive significant amounts of public funding for long term care should be required to produce clear, consistent and transparent public reports on how public funding is spent and disclose ownership and corporate structures.
- Revera should disclose which operating companies and facilities it owns and manages in the United States beyond its known ownership of Sunrise Senior Living, which is one of the largest operators of senior housing in the United States.
- Revera should publicly disclose its full corporate structure for UK ownership and operation and explain the purpose of each entity and the relationships between entities, including those in Luxembourg, Jersey, Guernsey, Canada and any other jurisdictions. If there is no other reason for its complexity, except to minimise UK income tax payments, immediate measures should be taken to restructure the business in a clear and transparent way.
- Given PSP's significant scale and potential to influence other Canadian and global investors, PSP must adopt a responsible investment policy that supports the elimination of aggressive tax avoidance strategies in all its portfolio investments, particularly investments like Revera, which are 100% directly owned by the pension fund. Transparent reporting on all of these portfolio companies must be implemented moving forward. The Global Reporting Initiative's (GRI) Tax Standard or certification by Fair Tax Mark are two examples of existing and widely supported compliance measures related to transparent reporting on tax.<sup>169</sup>
- The Canadian government must consider broader reforms to mandate tax transparency and responsible business practices in all federally owned pension funds, Crown corporations, and

the corporations they may control. There are many examples of European pension and sovereign wealth funds that have adopted principles on tax transparency and responsible tax practices as part of broader socially responsible investment criteria and/or guidelines.<sup>170</sup>

- Unless Revera provides full transparency, UK authorities should audit all of Revera and Welltower's UK care home businesses to ensure full compliance with all tax and reporting requirements and accurate and timely information.

Revera's conduct is ultimately the responsibility of the Canadian government and immediate steps should be taken to bring Revera's conduct in Canada, the UK, and the US in line with acceptable standards for responsible business practices. Revera's apparent pursuit of profit over care in Canada and tax avoidance in the UK are major liabilities and embarrassments for the Canadian government.

## ACKNOWLEDGEMENTS

CICTAR would like to acknowledge the valuable contributions made to this report by Canadians for Tax Fairness and by the Canadian Union of Public Employees (CUPE).



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- <sup>26</sup> Royal Commission into Aged Care Quality and Safety, November 2020, "Residential Care Quality Indicator Profile: Volume 1 – By Provider Type". <https://agedcare.royalcommission.gov.au/sites/default/files/2020-11/acrc-residential-care-quality-indicator-profile-vol-1-by-provider-type.pdf>
- <sup>27</sup> Rick Morton, 28 November 2020, *The Saturday Paper*, "Andrews budget wedges Morrison on aged care". <https://www.thesaturdaypaper.com.au/news/politics/2020/11/28/andrews-budget-wedges-morrison-aged-care/160648200010773>
- <sup>28</sup> Ruth McCambridge, 11 December 2020, *Nonprofit Quarterly*, "AARP: For-Profit Status Correlates to More Nursing Home Deaths". <https://nonprofitquarterly.org/aarp-for-profit-status-correlates-to-more-nursing-home-deaths/>
- <sup>29</sup> Welltower, 4Q19 Supplemental Information, p.2-3. <https://welltower.com/wp-content/uploads/2020/02/4Q19-Supplement-99.2-FINAL.pdf>
- <sup>30</sup> Ibid. Net Operating Income (NOI) is a key metric for Welltower. Welltower's 2019 Annual Report (p.118) states that the company defines "NOI as total revenues, including tenant reimbursements, less property operating expenses. We believe NOI provides investors relevant and useful information because it measures the operating performance of our properties at the property level on an unleveraged basis. We use NOI to make decisions about resource allocations and to assess the property level performance of our properties."
- <sup>31</sup> Ibid.
- <sup>32</sup> Ibid.
- <sup>33</sup> Ibid.
- <sup>34</sup> Ibid.
- <sup>35</sup> Welltower, Annual Report, p.52. <https://welltower.com/wp-content/uploads/2020/03/2019-Annual-Report.pdf>
- <sup>36</sup> Ibid, p.56.
- <sup>37</sup> Ibid, p.122.
- <sup>38</sup> Welltower, 4Q19 Supplemental Information, p.24.
- <sup>39</sup> Welltower, 2Q20 Welltower Facility Address List. <https://welltower.com/wp-content/uploads/2020/10/3Q20-Welltower-Facility-Address-List.xlsx> (link to 3Q list) This includes 15 properties with Signature listed as the operator, 45 properties with Sunrise listed as the operator (including Gracewell properties) and 3 properties with Avery listed as the operator in which Revera has an ownership interest.
- <sup>40</sup> Calculations based on Welltower, 4Q19 Supplemental Information, p2. Welltower reports total NOI numbers for both UK Senior Housing Operating (SHO) and for triple net senior housing (NNN) in the UK. Revera operates 52 of 57 (91%) SHO properties and 8 of 66 (12%) NNN properties. The percentages were applied to the total NOI figures in each category. This does not include the 3 Avery properties in which Revera has an ownership interest.

- <sup>41</sup> David Rotfleisch, 21 May 2020, *Mondaq/Taxpage.com*, “Revera Long Term Care Inc. V. Canada (National Revenue) – Misrepresentations & Errors in Reporting Income and Normal Reassessment Period”. <https://www.mondaq.com/canada/tax-authorities/937890/revera-long-term-care-inc-v-canada-national-revenue-misrepresentations-errors-in-reporting-income-and-normal-reassessment-period>
- <sup>43</sup> Gil Plimmer, 9 February 2020, *Financial Times*, “Private equity and Britain’s care home crisis”. <https://www.ft.com/content/952317a6-36c1-11ea-a6d3-9a26f8c3cba4>; Denis Campbell, 8 November 2019, *The Guardian*, “Care home operators accused of extracting ‘disguised’ profits”. <https://www.theguardian.com/society/2019/nov/07/care-home-operators-accused-of-extracting-disguised-profits>
- <sup>44</sup> Welltower, May 2019, “Corporate Presentation: Driving the Future of Health Care Real Estate” [https://welltower.com/wp-content/uploads/2019/05/1Q19-Corporate-Deck\\_vFINAL-6MAY2019.pdf](https://welltower.com/wp-content/uploads/2019/05/1Q19-Corporate-Deck_vFINAL-6MAY2019.pdf) and 2Q20 Welltower Facility Address List.
- <sup>45</sup> Welltower’s 2019 Annual Report, p.46, Item 2 reports annualised revenue for UK senior housing operating (SHO) and senior housing triple net (NNN), these revenue numbers were adjusted to reflect Revera’s involvement in 91% of the UK SHO properties and 12% of the UK NNN properties. These numbers do not include the 3 Avery properties partially owned by Revera. The Profit/Loss number represents net operating income as reported in Welltower’s 4Q2019 Supplemental and adjusted in the same manner for both SHO and NNN. The other USD figures are converted from GBP using the rate 1 GBP = USD 1.32, current as of 17 Nov 2020. The Sunrise Senior Living Limited and Gracewell Healthcare Limited revenues are 2019 management fee revenues. The SSL Group (UK) Limited revenues are 2018 turnover from the operation of senior living communities; As of 17 Nov 2020, no 2019 filing was available.
- <sup>46</sup> Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2019, p.3, Strategic Report.
- <sup>47</sup> Leslie Wayne, 30 June 2012, *New York Times*, “How Delaware Thrives as a Corporate Tax Haven”. <https://www.nytimes.com/2012/07/01/business/how-delaware-thrives-as-a-corporate-tax-haven.html#:~:text=%E2%80%9CDelaware%20serves%20as%20a%20domestic,avoidance%2C%E2%80%9D%20the%20report%20states.&text=But%20in%20Delaware%2C%20the%20state,the%20Delaware%20loophole%20are%20permanent>
- <sup>48</sup> Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2019 p.38, Note 23.
- <sup>49</sup> According to a search of the Delaware Secretary of State website. An Ontario company with the same name is 100% owned by Extendicare Inc. Statistics Canada’s Inter-corporate Ownership, third quarter 2019 <https://www150.statcan.gc.ca/n1/pub/61-517-x/61-517-x2019003-eng.htm>
- <sup>50</sup> Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2018, p.3 Strategic Report.
- <sup>51</sup> Ibid.
- <sup>52</sup> Ibid.
- <sup>53</sup> Competition and Markets Authority, 9 May 2018, “Sunrise Senior Living Ltd settlement and associated undertakings”. <https://www.gov.uk/cma-cases/care-homes-consumer-protection-case#sunrise-senior-living-ltd-settlement-and-associated-undertakings>
- <sup>54</sup> Ibid.
- <sup>55</sup> Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2018, p.3 Strategic Report.
- <sup>56</sup> Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2019, p.3, Strategic Report.
- <sup>57</sup> Ibid.
- <sup>58</sup> Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2018, p.6, Directors’ Report.
- <sup>59</sup> Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2019, p.15, Cash Flow Statement. Dividends were paid “to the holders of the parent”, which is SSL LLC.
- <sup>60</sup> Ibid, p.7, Directors’ Report.
- <sup>61</sup> Ibid, p.12, Income Statement.
- <sup>62</sup> Ibid, p.15, Cash Flow Statement.
- <sup>63</sup> Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2018, p.30, Note 20.
- <sup>64</sup> Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2019, p.35, Note 20.
- <sup>65</sup> Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2018, p.31, Note 21; Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2019, p.36, Note 21.
- <sup>66</sup> C20 – Annual Returns for both HCN UK Investments Limited & HCN UK Holdco Limited, made up to 01 / January 20, were obtained from the Jersey Registry.
- <sup>67</sup> Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2018, p.31, Note 21.
- <sup>68</sup> Ibid.
- <sup>69</sup> Sunrise Senior Living Limited, Financial Statements for the Year Ended 31 December 2019, p.36, Note 21.
- <sup>70</sup> Sunrise Senior Living, “UK Tax Strategy: Financial Year Ending 31 December 2019”. <https://www.sunrise-care.co.uk/about/uk-tax-information>
- <sup>71</sup> Welltower, “Tax Policy at 31 December 2019”. <https://welltower.com/wp-content/uploads/2019/12/Tax-Policy-Statement-2019-final-approved-31-Oct-2019.pdf>
- <sup>72</sup> Ibid.
- <sup>73</sup> Sunrise UK Operations Limited, Report and Financial Statements for the Year Ended 31 December 2019, p.31, Note 20.
- <sup>74</sup> Dawn Opco Limited, Report and Financial Statements for the Year Ended 31 December 2019, p.1, Strategic Report and p.15, Note 4.
- <sup>75</sup> Dawn Opco Limited, Report and Financial Statements for the Year Ended 31 December 2019, p.19, Note 14.
- <sup>76</sup> Ibid.
- <sup>77</sup> Sunrise UK Operations Limited, Report and Financial Statements for the Year Ended 31 December 2019, p.1, Strategic Report and p.6, Directors’ Report.
- <sup>78</sup> Ibid, p.1, Strategic Report and p.23, Note 4.
- <sup>79</sup> Ibid, p.14, Income Statement and pp.24-25, Note 8.
- <sup>80</sup> Ibid, p.7, Directors’ Report.
- <sup>81</sup> Sunrise UK Holdco Limited, Financial Statements for the Year Ended 31 December 2019, p.3, Strategic Report; p.21, Note 13; and p.22, Note 18.
- <sup>82</sup> Ibid, p.22, Note 18.
- <sup>83</sup> Ibid, p.10, Income Statement.
- <sup>84</sup> Ibid.
- <sup>85</sup> Gracewell Healthcare Limited, Financial Statements for the Year Ended 31 December 2019, p.3, Strategic Report.
- <sup>86</sup> Ibid.
- <sup>87</sup> Ibid, total resident fee revenue estimated from disclosed LLC numbers.
- <sup>88</sup> Ibid.
- <sup>89</sup> Ibid.
- <sup>90</sup> Ibid, p.22, Note 7 and p.23, Note 9.
- <sup>91</sup> Ibid, p.27, Note 12.
- <sup>92</sup> Ibid, p.27, Note 13.
- <sup>93</sup> Ibid, p.31, Note 19(b).
- <sup>94</sup> Ibid.

- <sup>95</sup> Gracewell Operations Holding Limited, Annual Report and Financial Statements for the Year Ended 31 December 2019, p.18, Note 8.
- <sup>96</sup> Ibid, p.20, Note 15.
- <sup>97</sup> Gracewell Healthcare 3 Limited, Report and Financial Statements for the Year Ended 31 December 2019, p.5, Directors' Report and p.1, Strategic Report.
- <sup>98</sup> Ibid, p.6, Directors' Report.
- <sup>99</sup> Ibid, p.1, Strategic Report.
- <sup>100</sup> Ibid, p.23, Note 8 and p.6, Directors' Report.
- <sup>101</sup> Gracewell Operations Holding Limited, Annual Report and Financial Statements for the Year Ended 31 December 2019, p.3, Directors' Report.
- <sup>102</sup> Ibid, p.8, Income Statement and p.16-17, Note 7.
- <sup>103</sup> Ibid, p.16, Note 6.
- <sup>104</sup> Ibid, p.16-17, Note 7.
- <sup>105</sup> Ibid, p.3, Directors' Report.
- <sup>106</sup> Ibid.
- <sup>107</sup> WR Investment Partners Limited, Consolidated Financial Statements as of and for the Years Ended 31 December 2019 and 2018, p.11, Note 1. <https://www.tisegroup.com/umbraco/surface/proxyapi/getnewspdf?id=273782&name=WR%20Investment%20Partners%20Ltd>
- <sup>108</sup> Ibid, p.4, Directors' Report.
- <sup>109</sup> Ibid, p.12, Note 1.
- <sup>110</sup> Ibid, p.11, Note 1.
- <sup>111</sup> Ibid.
- <sup>112</sup> Ibid.
- <sup>113</sup> WR Midco Limited, Annual Report and Financial Statements for the Year Ended 31 December 2018, pp.16-18, Note 9. (As of 6 November 2020, the 2019 report for WR Midco Limited was not available)
- <sup>114</sup> Carrie LaFrenz, 26 August 2020, *Australian Financial Review*, "ASIC witness in Jan Cameron case pursued her in Caribbean court". <https://www.afr.com/wealth/tax/asic-witness-in-jan-cameron-case-pursued-her-in-caribbean-court-20200826-p55phf> ; <https://www.trustmoore.com/location/luxembourg/>
- <sup>115</sup> WR Midco Limited, Annual Report and Financial Statements for the Year Ended 31 December 2018, p.1, Strategic Report.
- <sup>116</sup> Ibid, p.14, Note 5 and p.7, Income Statement.
- <sup>117</sup> Ibid, p.14, Note 6.
- <sup>118</sup> Ibid, p.7, Income Statement and p.15, Note 8.
- <sup>119</sup> WR Investment Partners Limited, Consolidated Financial Statements as of and for the Years Ended 31 December 2019 and 2018, p.3, Directors' Report.
- <sup>120</sup> Ibid.
- <sup>121</sup> Ibid, p.18, Note 3.
- <sup>122</sup> Ibid, pp.17-18, Note 3.
- <sup>123</sup> Ibid, p.19, Note 3.
- <sup>124</sup> Scott McCorvie, 26 August 2014, Senior Living Investments, "What is the RIDEA structure?". <http://www.seniorlivinginvestments.com/home/whatistherideastructure>
- <sup>125</sup> Ibid.
- <sup>126</sup> WR Investment Partners Limited, Consolidated Financial Statements as of and for the Years Ended 31 December 2019 and 2018, p.22, Note 7.
- <sup>127</sup> Ibid, p.4, Directors' Report and p.8, Income Statement.
- <sup>128</sup> Ibid.
- <sup>129</sup> Ibid, p.21, Note 5.
- <sup>130</sup> Ibid, p.7, Balance Sheet.
- <sup>131</sup> Ibid, p.22, Note 6.
- <sup>132</sup> Ibid.
- <sup>133</sup> Sterling Investment Partners Limited, Consolidated Financial Statements as of and for the Twelve Months Ended 31 December 2017, p.21, Note 8. <https://www.tisegroup.com/umbraco/surface/proxyapi/getnewspdf?id=263523&name= Sterling%20Investment%20Partners%20Ltd> (More current financial statements do not appear to be publicly available although Sterling Investment Partners Limited, according to Jersey registry filings, continues to be active.)
- <sup>134</sup> Ibid.
- <sup>135</sup> SIPL Investments S.a.r.l., Abridged Balance Sheet for 2019 Financial Year, p.9, Note 3.
- <sup>136</sup> SIPL Partners 1 & 2 S.a.r.l., Abridged Balance Sheet for 2019 Financial Year, p.9, Note 3.
- <sup>137</sup> Ibid.
- <sup>138</sup> SSL Group (UK) Limited, Report and Financial Statements Year Ended 31 December 2018, p.1, Strategic Report. (As of 20 November, the 2019 Annual Report was not yet available.)
- <sup>139</sup> Ibid, p.32, Note 23.
- <sup>140</sup> Ibid, p.27, Note 13.
- <sup>141</sup> Signature Senior Lifestyle Holdings Limited, Annual Report and Financial Statements Year Ended 31 December 2018, p.14, Note 6 and p.15, Note 9.
- <sup>142</sup> <https://www.signature-care-homes.co.uk/our-developments>
- <sup>143</sup> SSL Group (UK) Limited, Report and Financial Statements Year Ended 31 December 2018, p.10, Income Statement.
- <sup>144</sup> Ibid.
- <sup>145</sup> Ibid.
- <sup>146</sup> Ibid, p.22, Note 3.
- <sup>147</sup> Ibid, p.22, Note 4.
- <sup>148</sup> Ibid, p.3, Strategic Report.
- <sup>149</sup> Ibid, p.30, Note 17.
- <sup>150</sup> Ibid, p.13, Cash Flow Statement.
- <sup>151</sup> Signature Senior Lifestyle Holdings Limited, Annual Report and Financial Statements Year Ended 31 December 2018, p.16, Note 11.
- <sup>152</sup> Ibid.

- <sup>153</sup> Recent reports on the abuse of Scottish Limited Partnerships include: Transparency International and Bellingcat (2017), “Offshore in the UK: Analysing the use of Scottish Limited Partnerships in Corruption and Money Laundering”. <https://www.transparency.org.uk/publications/offshore-in-the-uk> & Marc Horne, 4 October 2019, *The Times*, “Criminals used Scottish Limited Partnerships’ loophole to launder billions”. <https://www.thetimes.co.uk/article/criminals-used-scottish-limited-partnerships-loophole-to-launder-billions-nj0r9ql57>
- <sup>154</sup> TaxLinked.net Blog, 27 December 2017, “Scottish Limited Partnerships: Pros & Cons”. <https://taxlinked.net/blog/december-2017/scottish-limited-partnerships-pros-cons>
- <sup>155</sup> <https://find-and-update.company-information.service.gov.uk/company/SL019548/filing-history> & <https://find-and-update.company-information.service.gov.uk/company/SL019549>
- <sup>156</sup> <https://find-and-update.company-information.service.gov.uk/company/SL019549/filing-history>
- <sup>157</sup> <https://find-and-update.company-information.service.gov.uk/company/09381613/persons-with-significant-control>
- <sup>158</sup> SSL Group (Guernsey) Limited, Annual Validation – Company 2019, p.2 & SSL Holdings (Guernsey) Limited, Annual Validation – Company 2019, p.2. (as purchased from the Guernsey registry)
- <sup>159</sup> Ibid, p.1.
- <sup>160</sup> SSL Holdings (Guernsey) Limited, A company incorporated under the laws of the Island of Guernsey, Registered Number 59613, (the “Company”), Written Special Resolution, Circulation Date: 28 February 2020, p.1. (as purchased from the Guernsey registry)
- <sup>161</sup> Ibid, p.1 and Appendix 1, p.6
- <sup>162</sup> SSL Group (UK) Limited, Report and Financial Statements Year Ended 31 December 2018, p.26, Note 13 and p.33, Note 23.
- <sup>163</sup> Ibid, p.33, Note 23.
- <sup>164</sup> Ibid.
- <sup>165</sup> Recent search of Guernsey Registry; <https://www.greg.gg/webCompSearch.aspx?r=1?height=994>
- <sup>166</sup> SSL Group (UK) Limited, Report and Financial Statements Year Ended 31 December 2017, p.34, Note 23.
- <sup>167</sup> Public Service Alliance of Canada, May 26, 2020, “PSAC calls on public service pension plan to pull out of the business of long-term care”. <http://psacunion.ca/PSAC-long-term-care-revera>
- <sup>168</sup> <https://www.investpsp.com/en/psp/investing-responsibly/>
- <sup>169</sup> For more on the GRI Tax Standard and Fair Tax Mark, see: <https://www.globalreporting.org/standards/standards-development/topic-standard-project-for-tax/> & <https://fairtaxmark.net/getting-the-mark/>
- <sup>170</sup> Beyond UNPRI reports and collaborations <https://www.unpri.org/tax-avoidance/54.subject>, there are many examples of pension fund policies specifically related to tax as a responsible investment issue, including: Norges Bank Investment Management (NBIM), one of the world’s largest investors, <https://www.nbim.no/en/the-fund/responsible-investment/principles/expectations-to-companies/tax-and-transparency/>; Eumedion, a major coalition of Dutch institutional investors, <https://www.eumedion.nl/clientdata/215/media/clientimages/2019-01-eumedion-tax-position-statement-20191.pdf?v=191127085007>; a Danish pension fund coalition <https://www.industrienspension.dk/da/Omlp/Nyheder/Nyheder-2019/Skatteprincipper>; investment organisations representing over US\$10 trillion in assets under management actively supported the GRI’s tax standard <https://www.globalreporting.org/about-gri/news-center/2019-03-28-strong-backing-for-tax-transparency-from-investors/>





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