

Policy Statement

IVC Evidensia (The Group) operates as a European business and as such has a duty to conduct our business affairs in a responsible and transparent way in line with our code of conduct principle of “Safeguarding our Reputation”.

This policy sets out the background of this legislation and the Group’s expectations of all our people and other ‘associated persons’ in meeting the requirements of this legislation, not only in the UK but in all territories in which we operate.

The UK Criminal Finances Act 2017 consists of 2 key corporate offences, being:

- the failure to prevent facilitation of UK tax evasion; and
- the failure to prevent facilitation of foreign tax evasion.

The HMRC Guidance in respect of Corporate Criminal Offence (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 legislation applies to all taxes including direct and indirect tax, corporate and personal tax, as well as national insurance contributions and their equivalents in any non-UK jurisdiction.

The Group will take all reasonable steps to prevent the facilitation of tax evasion and to maintain high standards in all we do. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate as well as implementing and enforcing effective systems to counter tax evasion facilitation. IVC Evidensia have a zero-tolerance approach to tax evasion.

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

Our Principles and Values provide the framework for all colleagues to make the right decisions and to act in a fair, trustworthy and impartial manner at all times, towards both internal and external partners. This includes ensuring we act in accordance with the laws of every territory in which we operate.

Scope

Tax evasion is a criminal offence and it is also a crime to deliberately and dishonestly facilitate tax fraud for or on behalf of another person e.g. changing invoices for customers that could impact the VAT amount, assisting a supplier in not disclosing income or deliberately overstating group cross-border intercompany charges where this may impact the Corporation Tax due either in the UK or overseas.

We have corporate responsibility as a Group such that, if an associated person were to facilitate tax evasion, we may be criminally prosecuted for failing to prevent the facilitation offence. Therefore, as

an organisation, we must be able to demonstrate having reasonable prevention procedures in place to try and prevent any such facilitation of tax evasion from happening.

This policy applies to all persons working for the Group or on our behalf in any capacity, including colleagues at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us as 'associated persons' under the UK Criminal Finances Act 2017, wherever located.

If a colleague is uncertain about how this Policy might affect their activities or has any questions about its application, they should contact their manager or the Legal and Compliance team. Failure to comply with this policy could result in disciplinary action up to, and including, summary dismissal.

Objectives

The objectives of this document are to:

- (a) set out our responsibilities, and of those working for us, in observing and upholding our position on preventing the criminal facilitation of tax evasion; and
- (b) provide information and guidance to those working for us on how to recognise and avoid tax evasion.

Policy

Our policy is to have a zero tolerance to tax evasion and facilitation of tax evasion.

We will not work with any third party (including those who contract with us or otherwise provide services to us) who do not have a similar commitment of zero tolerance to tax evasion and the facilitation of tax evasion.

We expect all our colleagues and anyone who works for us – e.g. contractors – not to engage in any activity which evades tax or facilitates or may facilitate the evasion of tax by any other person (company or individual).

We will not engage with any third party (including those who contract with us or otherwise provide services to us) who do not have a similar approach.

This means we expect businesses and people that we engage with to comply with their own tax obligations and correctly account for all taxes that they may owe. We will not tolerate any of our colleagues, agents, contractors or other business partners knowingly assisting or encouraging tax fraud by any of our customers, suppliers or others that we do business with anywhere in the world.

As a Group, we support the questioning and eventual declining of business where there are any suspicions of tax evasion or the facilitation of tax evasion.

We expect all colleagues and associated persons to be able to identify and take steps to prevent any scenarios where there may be a risk that they are facilitating others to commit tax evasion, either in the UK or overseas.

Identifying Concerns

It is very important that we are aware of the triggers and behaviours which could indicate that there may be facilitation of tax evasion. Do not expect people to tell you that they are evading tax.

Any unethical, irregular or suspicious behaviours that may lead us to suspect the facilitation of tax evasion should be reported.

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

- A supplier, contractor or anyone within our business asking us to do something that does not match up with official documentation – for example, paying into a different account than that which is specified on an invoice;
- Being pressurised to process or approve an invoice (or make changes to our contractual terms) that does not make sense, for example changing the payment details or VAT amount;
- An invoice from a third party that appears to be non-standard or customised or is different to what we expected;
- Contras where invoices are not exchanged for the face value of services/good exchanged;
- Short cuts being taken in our Supplier or Customer Take-On procedures (e.g. someone we know circumventing the supplier set-up which means that there are no checks on the company/person they were purchased from or contract in place);
- Someone who works for a third-party supplier offering what seems like a discount, e.g., because they tell us they don't need to charge us VAT - without giving a reason;
- Being concerned about the set up and/or supporting paperwork of a particular transaction that we think may not reflect the true commercial reality or fact pattern;
- Someone at work (for example a colleague or a contractor) claiming to have found a 'short cut' in how much tax they pay or we are aware that tax is not being declared;
- Someone at work (for example a colleague or a contractor) claiming illegitimate expenses;
- Running a promotion, competition or incentive at work without seeking advice on tax implications from the Head of Reward, Finance or Legal first;
- Someone asking for a favour that is not in line with Group policies;
- Third-party requests for payment to be made to a country or geographic location different from where the third party resides or conducts business;
- Third-party requests for payment in cash and/or refusing to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- A third party working for us as a colleague asks to be treated as a self-employed contractor, but without any material changes to their working conditions;
- A third party insists on the use of side letters or refuses to put terms agreed in writing or asks for contracts or other documentation to be backdated;
- An invoice for a commission or fee payment that appears too large or too small, given the service stated to have been provided;
- Any other knowledge or suspicion that anyone in our business, either in the UK or any other country, is evading or facilitating tax evasion.

Reporting

If we know, or suspect, that tax evasion or the facilitation of tax evasion has taken place, or is taking place, we are required to report it. All cases of suspicion in relation to future or existing business should be first reported before making any decisions in relation to existing business relationships or committing the business to transact in the manner proposed.

If unsure about whether a particular act constitutes tax evasion or foreign tax evasion, raise it with a Manager or the Legal and Compliance team as soon as possible. The corporate offence is only committed where an individual deliberately and dishonestly take action to facilitate the tax evasion or foreign tax evasion. However, a deliberate failure to report suspected tax evasion or foreign tax evasion, or “turning a blind eye” to suspicious activity, could amount to criminal facilitation of tax evasion.

Individuals who raise concerns or report another’s wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.