



ANTI-FACILITATION OF TAX EVASION
POLICY

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Foreword

A good reputation is a hard-won asset which we must protect. Our ability to tender for new business and our relationship with the full range of our stakeholders depends a great deal upon the good reputation that we have established. This means all of us acting to the highest personal, ethical and corporate standards in everything we do. It means making sure all our actions and decisions support the Group's vision and values.

This policy is designed to help you understand not just the legislation relevant to tax evasion or its facilitation but also to provide you with details of further help and training which you may need. I encourage you to seek further guidance or assistance if feel you need it in any way. Your personal contribution to protecting and enhancing our reputation by complying with this policy is important to Beton Bauen.

I am committed to this policy and would ask you to show your commitment too by reading it and, if you have any queries or concerns at all, getting in touch as set out at the end of the policy.

Steve Davies, Managing Director

ANTI-FACILITATION OF TAX EVASION POLICY

Anti-Facilitation of Tax Evasion Policy and Procedures Anti-Facilitation of Tax Evasion Policy Our vision is “to be the most highly respected company in the industry”, and our success in this endeavour is dependent upon how all employees behave. It is also our policy to comply with the law wherever we operate. In many countries (including the UK), it is a criminal offence to dishonestly evade tax or to assist others to do so. This can deprive governments of the revenues needed to fund vital public services. We expect the businesses and people we engage with to comply with their tax obligations. Tax evasion or its facilitation has no place at Beton Bauen and we do not tolerate any of our Directors, Officers or employees (together “Colleagues”), agents or business partners knowingly assisting or encouraging tax fraud by any of our customers, suppliers or others that we do business with.

We are committed to the following principles:

- ▶ We will carry out business fairly, honestly and openly.
- ▶ We will not provide services or sell to parties where we know or suspect that the services or the items sold will be misused or abused by a customer for the purposes of fraudulent tax evasion.
- ▶ We will not buy services or goods from any supplier where we know or reasonably suspect them not to be properly declaring their income and any relevant tax and duties in connection with those activities.
- ▶ Any colleague found to be in breach of these principles will face disciplinary action up to and including dismissal.
- ▶ No colleague will suffer demotion, penalty, or other adverse consequence for refusing to engage in the sale or purchase of services and goods where they reasonably suspect or know tax evasion to be taking place. Our clear policy is not to engage in transactions where tax evasion is present or suspected to be present, even if it may result in us losing business.
- ▶ We expect our agents and others who represent us also to commit to these principles.
- ▶ We are committed to a programme to counter the risk of our being involved in the facilitation of tax evasion.

Any concerns relating to a breach of this policy should be reported in accordance with the procedures highlighted below.

1 Introduction

This policy is intended to ensure that our colleagues, agents and business partners do not engage in the facilitation of tax evasion anywhere in the world.

We expect high standards from our colleagues and do not tolerate anyone engaging in tax evasion or helping others to do so. We will endeavour to ensure that others who perform services for or with us, for example, agents, advisers, consultants, BPU accountants etc. (referred to as "Business Partners") do not facilitate tax evasion whilst performing those services. This Policy applies irrespective of where business is being conducted, regardless of jurisdiction. Where there are differences between the local law and this Policy, you must apply the highest standard of behaviour.

ANTI-FACILITATION OF TAX EVASION POLICY

2 What is Tax Evasion and how could you facilitate it?

Tax evasion occurs when a person knows they have an obligation to account for tax but dishonestly does not do so. They may or may not try to take steps to disguise or misrepresent what they are doing. The key is that they know tax is due and deliberately do not pay it. It is possible to evade tax without involving others but in many cases others will be involved. Examples include misrepresenting the services rendered or the location in which they took place, or who carried them out. If we were to accept and not challenge this, we could be 'facilitating' the tax evasion and committing a criminal offence. Simply ignoring what is occurring or not reporting suspicions to your Manager or the Finance Director is not acceptable.

Tax evasion is not the same as tax 'avoidance'. Tax avoidance is where a person, often acting on professional advice, has entered into arrangements designed to legally minimise their tax liabilities.

3 Why is this Policy important?

Facilitation of tax evasion is a criminal offence and the penalties can be severe including fines or imprisonment. Beton Bauen itself can also be guilty of an offence and may face prosecution. Having a conviction may bar Beton Bauen from operating in certain sectors or bidding for certain work. Beton Bauen could also have to pay a significant fine. This could be very damaging to Beton Bauen.

4 What is expected of you?

All colleagues must read and observe this Policy, act with integrity and comply with applicable laws. Managers should create an environment that encourages compliance with this Policy. You should encourage others to report concerns and to ask questions regarding these issues.

Business Partners and Joint Venture Partners - we expect our Business Partners and Joint Venture Partners to adhere to this Policy.

We will improve our procedures and due diligence checks, to include the following:

- ▶ making it a condition of doing business with us that they will act diligently to account for any taxes owed.
- ▶ undertaking additional checks on their ownership structure or on where their business is managed.
- ▶ asking them to prove they are registered for tax
- ▶ when we buy or sell goods or products, undertaking appropriate checks to ensure that tax has been paid.
- ▶ any other procedures we consider to be reasonable.

ANTI-FACILITATION OF TAX EVASION POLICY

Red flags - Colleagues should look out for potential "red flags". Red flags must be reported immediately to the Beton Bauen Finance Director. Red flags include:

- ▶ the customer or supplier refuses or fails to confirm that it will comply with our additional due diligence checks; the
- ▶ customer or supplier operates or is resident in a country where tax evasion is more prevalent;
- ▶ the customer or supplier has unusual invoicing or documentation practices for example invoicing a different company to the one receiving the service;
- ▶ the customer or supplier requests for payments to be:
 - made in cash;
 - paid to or through another entity;
 - paid to bank accounts in another country;
 - paid in another currency; or
 - paid in advance where that is not accepted practice for that to occur

5 Dealings with Business Partners

Business Partners should be told where to access this Policy and asked to confirm they have understood it. We will ask all Business Partners to confirm they will apply our principles and that they have similar Policies. We reserve the right to inspect them.

New Business Partners should have an agreement that contains appropriate wording to address this risk. Contact Finance if you need help with this. For existing Business Partners, the wording will be updated at the next renewal.

5.1 Monitoring of Business Partners

Red flags - Colleagues should look out for "red flags" (see above). Any red flags should be reported immediately.

Reviews - Higher risk Business Partners will be reviewed for compliance periodically and lower risk Business Partners will be reviewed not less than every 3 years.

Audits - We will carry out appropriate periodic audits. Due diligence gathered will be sampled during audits.

6 Joint Venture Partners

- ▶ Joint Venture Partners are all parties with whom we enter into a joint venture, consortium or similar relationship.
- ▶ We could be liable if a Joint Venture Partner engages in the facilitation of tax evasion.
- ▶ Joint Venture Partners must be carefully selected, appointed and monitored.

ANTI-FACILITATION OF TAX EVASION POLICY

► Joint Venture Partners should be provided with a copy of this Policy and asked to confirm they will comply with it or that the JV will follow similar rules to those set out in this policy.

It is important that we only work with Joint Venture Partners who we believe will not engage in tax evasion or its facilitation. Before entering into a Joint Venture, due diligence should be conducted. A risk assessment should be conducted first to determine the appropriate level of due diligence. You should contact The Finance department for help with the form of risk assessment to use and the level of due diligence needed.

Any agreement entered into with a Joint Venture Partner should contain Anti-Facilitation of Tax Evasion wording. You should contact Finance if you need help with this. All existing and new Joint Venture Partners should be provided with a copy of our Policy and asked to confirm in writing that they will comply with them.

7 Bookkeeping and Accounting

Books, records and accounts must be kept which accurately and fairly reflect all transactions. No payments should be made, approved, or processed where there is any suspicion that any part of the payment is to be used for any purpose other than that described by the documents supporting the payment. No "off the books" or unrecorded funds or accounts are permitted.

Examples of prohibited record keeping activities include:

- making records showing a payment to one person when, in fact it was made to someone else
- submitting inaccurate expenses
- records that inaccurately characterise/describe the true nature of transactions or payments
- claims for services, products or equipment not received
- creating or maintaining unrecorded funds or assets of the company (including unrecorded "petty cash").

8 Disciplinary action

Tax evasion and its facilitation is a serious criminal offence. You have a duty to Beton Bauen and breaches of this policy will result in disciplinary action, up to and including dismissal/termination of contract. In addition, a colleague who breaks the law may themselves face criminal proceedings, fines or imprisonment.

For Business Partners, non-compliance with this Policy and any applicable laws will be considered to be a material breach of contract and may result in the termination of any relationship with us and the matter being reported to the police.

9 Statement of commitment

We will not tolerate any form of tax evasion or its facilitation. This policy demonstrates the Beton Bauen's no tolerance approach to tax evasion or its facilitation. It will be regularly reviewed and updated if necessary as new threats appear. This policy applies to the whole of the Beton Bauen Group and as such should be seen as setting the broad rules and guidance for all.

ANTI-FACILITATION OF TAX EVASION POLICY

10 Effective Monitoring

Our businesses must establish and maintain an effective system for monitoring compliance with this policy. We will set a monitoring plan to ensure that this is done.

11 Who can I contact if I have any questions?

If you have a concern or suspect a violation of this policy we want you to speak up immediately. Speaking up can be a difficult thing to do, so be reassured that all information received will be treated seriously and investigated appropriately. If you act in good faith, believing your information is accurate, we will protect you even if you are wrong. Some concerns can be addressed by speaking to the person whose conduct is the cause for concern. We understand that this is not always possible, so we suggest that you speak to your line manager. If, for whatever reason, you do not feel comfortable doing this, you can contact any member of the Human Resources, Compliance or Finance departments. Alternatively, you may prefer to use the Whistle blowing process.

How can you raise a concern?

If you have any questions concerning this policy or would like further guidance, please contact:

Belinda Davies, Finance Director

[E: belinda.davies@Betonbauen.com](mailto:belinda.davies@Betonbauen.com) / liam.keene@betonbauen.com

Signed:



Position: Managing Director

Date: 08/01/2025