

# UK Anti-Facilitation of Tax Evasion Policy

## 1 POLICY STATEMENT

- 1.1 This document details our UK anti – facilitation of tax evasion policy for John Sisk & Son Limited’s UK Group ‘Group’. It is the group’s policy to conduct all of our business in an honest and ethical manner. We take a zero- tolerance approach to facilitation of tax evasion, whether under UK law, Irish law or under the law of any foreign country. It applies to all employees, contractors, and associated persons. This document outlines our system of reasonable procedures that identifies and mitigates the group’s tax evasion facilitation risks.
- 1.2 The purpose of this policy is to establish controls to ensure compliance with all regulations applicable to financial crime, and to ensure that the Company’s business is conducted in a socially responsible manner. We will uphold all UK laws relevant to countering tax evasion including the Criminal Finances Act 2017. Part 3 of the Criminal Finances Act 2017 discusses tax evasion.
- 1.3 We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter tax evasion facilitation.
- 1.4 We take a zero-tolerance approach to facilitation of tax evasion under UK law. We will uphold all laws relevant to countering tax evasion, including the Criminal Finances Act 2017.

## 2 ABOUT THIS POLICY

- 2.1 The purpose of this policy is to:
  - (a) Outline the process implemented by the group to identify and mitigate associated persons from criminally facilitating tax evasion;
  - (b) set out the group’s responsibilities, and of those working for us, in observing and upholding our position on preventing the criminal facilitation of tax evasion; and
  - (c) provide information and guidance to those working for us on how to recognize and avoid tax evasion.
  - (d) ensure that the UK group has robust procedures in place to prevent any person associated with the company from criminally facilitating tax evasion.
- 2.2 As an employer, if we fail to prevent our employees, workers, agents or service

providers facilitating tax evasion, the Company can face criminal sanctions including an unlimited fine, as well as exclusion from tendering for public contracts and damage to our reputation. We therefore take our legal responsibilities seriously.

- 2.3 In this policy, third party means any individual or organization that our staff will come into contact with during the course of their work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisers, representatives and officials, politicians and political parties.
- 2.4 This policy does not form part of any employee's contract of employment, and we may amend it at any time.

### **3 WHO MUST COMPLY WITH THIS POLICY?**

- 3.1 This policy applies to all persons working for our UK group companies or on our behalf in any capacity, including employees 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, wherever located.

### **4 WHO IS RESPONSIBLE FOR THE POLICY?**

- 4.1 The board of directors have delegated overall responsibility for ensuring this policy complies with our legal and ethical obligations to the Group Chief Financial Officer supported by the Group Head of Taxation, to ensure that all those under our control comply with it.
- 4.2 Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it.
- 4.3 However, it is the responsibility of each Sisk Employee and Third Party to comply with this Policy and ensure that it is applied.

### **5 RISK ASSESSMENT**

- 5.1 The guidance published by HMRC 'Tackling Tax Evasion: Government guidance for the corporate offences' of failure to prevent the criminal facilitation of tax evasion"), recommends that organisations adopt a risk- based approach to managing the tax evasion facilitation risk.
- 5.2 The company carries out regular risk assessments of associated persons and this process is documented to ensure ongoing compliance. The risk assessment identifies certain aspects of our businesses that pose inherent risks of us or our Associated Persons being exposed to instances of actual or attempted facilitation of tax evasion. Where a category of associated persons is deemed high risk, further investigation is

carried out to ensure tax and legal compliance. The company maintains a risk matrix of possible risks of tax evasion by associated persons, as well as listing controls to mitigate those risks, and any actions required to improve those controls. This risk assessment matrix is regularly reviewed and updated, as and when required.

## **6 DUE DILIGENCE**

- 6.1 HMRC guidance recommends screening and monitoring of associated persons through a robust due diligence process. The company recognises that associated persons—defined under the Criminal Finances Act 2017 as individuals or entities performing services on behalf of the company—pose a potential risk for the facilitation of tax evasion.
- 6.2 Key risk areas include labour contractors through the supply chain operating outside of the PAYE tax system including CIS, PSC and Umbrella structures with limited transparency where the inherent risk of tax evasion is higher. To mitigate these risks, the company conducts thorough due diligence prior to engagement, including verification of tax registration, review of financial practices, IR35 Status Determination Statements and confirmation of tax compliance history. Ongoing monitoring, mandatory training, and contractual clauses prohibiting tax evasion are enforced to ensure associated persons understand and comply with their legal obligations. Any suspicious behaviour or breach of policy must be reported immediately through the company’s whistleblowing procedures.

## **7 GROUP MINIMUM STANDARDS:**

Unless the applicable laws of a jurisdiction in which the Sisk Group Entity operates impose more stringent requirements (in which case the more stringent requirements will apply), the following standards should, at all time, be complied with throughout the Sisk group when conducting business.

## **8 WHAT IS TAX EVASION FACILITATION?**

- 8.1 For the purposes of this policy:
  - (a) Tax evasion means the offence of cheating the public revenue or fraudulently evading UK tax and is a criminal offence. The offence requires an element of fraud, which means there must be deliberate action, or omission with dishonest intent;
  - (b) Foreign tax evasion means evading tax in a foreign country, provided that conduct is an offence in that country and would be a criminal offence if committed in the UK. As with tax evasion, the element of fraud means there must be deliberate action, or omission with dishonest intent; and

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

8.2 Under the UK Criminal Finances Act 2017 a separate criminal offence is automatically committed by a corporate entity where:

- (a) the evasion of UK tax is facilitated by a person acting in the capacity of an “associated person” to that body even though that body may be based outside the UK; or
- (b) foreign tax evasion is committed by a company incorporated in the UK, carrying on business in the UK or has staff that facilitate the criminal behaviour based on the UK.

For the offence to be made, the associated person must deliberately and dishonestly take action to facilitate the tax evasion by the taxpayer. If the associated person accidentally, ignorantly, or negligently facilitates the tax evasion, then the corporate offence will not have been committed. The company does not have to have deliberately or dishonestly facilitated the tax evasion itself; the fact that the associated person has done so creates the liability for the company.

8.3 Tax evasion is not the same as tax avoidance or tax planning. Tax evasion involves deliberate and dishonest conduct. Tax avoidance is not illegal and involves taking steps, within the law, to minimise tax payable (or maximise tax reliefs). The GAAR provides a statutory mechanism for HM Revenue & Customs (HMRC) to counteract tax avoidance arrangements to help recognise tax avoidance schemes.

8.4 In this policy, all references to tax include national insurance contributions.

## **9 WHAT YOU MUST NOT DO**

9.1 It is not acceptable for you (or someone on your behalf) to:

- (a) engage in any form of facilitating tax evasion or foreign tax evasion anywhere in the world;
- (b) aid, abet, counsel or procure the commission of a tax evasion offence or foreign tax evasion offence by another person;
- (c) fail to promptly report any request or demand from any third party to facilitate the fraudulent evasion of, or any suspected fraudulent evasion of tax by another person, in accordance with this policy;
- (d) engage in any other activity that might lead to a breach of this policy; or
- (e) threaten or retaliate against another individual who has refused to commit a tax evasion offence or a foreign tax evasion offence or who has raised concerns

under this policy.

## **10 YOUR RESPONSIBILITIES**

- 10.1 You must ensure that you read, understand and comply with this policy.
- 10.2 The prevention, detection and reporting of tax evasion and foreign tax evasion are the responsibility of all those working for us or under our control. You are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 10.3 You must notify your manager, a senior member of the company management, or phone the 'Speak Up' hotline (see our group 'Speak Up' Policy POL-LG-004) as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. For example, if a supplier asks to be paid into an offshore bank account, without good reason, or asks to be paid in cash, indicating that this will mean the payment is not subject to VAT. Further "red flags" that may indicate potential tax evasion or foreign tax evasion are set out in Clause 13.
- 10.4 Ensure that, when negotiating a new or renewing an existing Third-Party agreement, the agreement includes provisions approved by the Legal and Compliance team where the Third Party agrees to comply with all applicable laws.

## **11 HOW TO RAISE A CONCERN**

- 11.1 You are encouraged to raise concerns about any issue or suspicion of tax evasion or foreign tax evasion at the earliest possible stage.
- 11.2 If you become aware of any fraudulent evasion of tax by another person in the course of your work, or you are asked to assist another person in their fraudulent evasion of tax (whether directly or indirectly), or if you believe or suspect that any fraudulent evasion of tax has occurred or may occur, you must notify your manager, a senior member of Sisk staff or phone the 'Speak Up' hotline (see POL-LG-004) as soon as possible.
- 11.3 If you are unsure about whether a particular act constitutes tax evasion or foreign tax evasion, raise it with your manager or a senior member of staff as soon as possible. You should note that the corporate offence is only committed where you deliberately and dishonestly take action to facilitate the tax evasion or foreign tax evasion. If you do not take any such action, then the offence will not be made. 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.

## **12 PROTECTION**

- 12.1 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.

12.2 We are committed to ensuring no one suffers any detrimental treatment as a result of:

- (a) refusing to take part in, be concerned in, or facilitate tax evasion or foreign tax evasion by another person;
- (b) refusing to aid, abet, counsel or procure the commission of a tax evasion offence or a foreign tax evasion offence by another person; or
- (c) reporting in good faith their suspicion that an actual or potential tax evasion offence or foreign tax evasion offence has taken place, or may take place in the future.

12.3 Detrimental treatment includes dismissal, disciplinary action, threats or other unfavorable treatment connected with raising concern. If you believe that you have suffered any such treatment, you should inform your manager or a senior member of the company management or phone the 'Speak Up' hotline immediately.

## **13 TRAINING AND COMMUNICATION**

13.1 Training on this policy forms part of the induction process offered to all individuals who work for us, and regular training will be provided as necessary.

13.2 Our zero-tolerance approach to tax evasion and foreign tax evasion must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate after that.

## **14 BREACHES OF THIS POLICY**

14.1 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

14.2 We may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

## **15 POTENTIAL RISK SCENARIOS: "RED FLAGS"**

15.1 The following is a list of possible red flags that may arise during the course of you working for us and which may raise concerns related to tax evasion or foreign tax evasion. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags while working for us, you must report them promptly to your manager, a senior member of staff or phone our 'Speak Up' hotline:

- (a) you become aware, in the course of your work, that a third party has made or



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intends to make a false statement relating to tax, has failed to disclose income or gains to, or to register with, HMRC, has delivered or intends to deliver a false document relating to tax, or has set up or intends to set up a structure to try to hide income, gains or assets from a tax authority;

- (b) you become aware, in the course of your work, that a third party has deliberately failed to register for VAT or failed to account for VAT;
- (c) a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- (d) you become aware, in the course of your work, that a third party working for us as an employee asks to be treated as a self-employed contractor, but without any material changes to their working conditions;
- (e) a supplier or other subcontractor is paid gross when they should have been paid net, under a scheme such as the Construction Industry Scheme
- (f) a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (g) a third party to whom we have provided services requests that their invoice is addressed to a different entity, where we did not provide services to such entity directly;
- (h) a third party to whom we have provided services asks us to change the description of services rendered on an invoice in a way that seems designed to obscure the nature of the services provided;
- (i) you receive an invoice from a third party that appears to be non-standard or customised;
- (j) 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;
- (k) you notice that we have been invoiced for a commission or fee payment that appears too large or too small, given the service stated to have been provided;
- (l) a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us

**John Sisk & Son Limited**

1 Curo Park, Frogmore, St Albans  
Hertfordshire, United Kingdom  
AL2 2DD

+44 1727 875 551  
info@sisk.com  
sisk.com



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