

# Cory Riverside Energy Anti-Facilitation of Tax Evasion Policy

## POLICY STATEMENT

Cory Riverside Energy Group (“**CRE**” / “**we**”) conducts all of our business in an honest and ethical manner and we take a zero-tolerance approach to facilitation of tax evasion. This Policy is communicated to all CRE Employees and our suppliers, contractors and business partners to reiterate this intention and our commitments.

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.

We will uphold all laws relevant to countering tax evasion, including the Criminal Finances Act 2017 (the “CCO Legislation”).

## BACKGROUND

This policy sets out the background of the CCO Legislation and our expectations of all ‘associated persons’<sup>1</sup> in meeting the requirements of the CCO Legislation.

The CCO Legislation introduced two new corporate offences:

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

The CCO Legislation applies to all taxes – UK and foreign personal and corporate tax – such as VAT, Customs Duties, National Insurance Contributions etc. Offences will be committed where CRE fails to prevent an associated person criminally facilitating the evasion of a tax, and this will be the case whether the tax evaded is owed in the UK or in a foreign country.

Criminal prosecution, unlimited financial penalties and reputational damage to the business, can result if we fail to comply with this law. Individuals can also be prosecuted for tax fraud or facilitating tax fraud.

### What is tax evasion?

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

### What is criminal facilitation of tax evasion?

It is also a criminal offence to deliberately and dishonestly facilitate tax fraud for or on behalf of another person. Examples of facilitating tax evasion include: deliberately and dishonestly changing invoices for customers that could impact the VAT amount; assisting a supplier in not disclosing income (e.g. through making a payment into an undeclared overseas bank account); or deliberately overstating group cross-border intercompany charges where this may impact the Corporation Tax due either in the UK or overseas.

The CCO Legislation creates a responsibility at the company level such that, if an associated person were to facilitate tax evasion, CRE may be criminally prosecuted for failing to prevent the facilitation offence.

There would be a defence from prosecution if we are able to demonstrate having reasonable prevention procedures in place to try and prevent this facilitation of tax evasion from happening.

## WHO DOES THIS POLICY APPLY TO?

This policy applies to all our employees, agents, contractors and any third party who provides services for or on behalf of our business (defined as ‘associated persons’ under the CCO Legislation).

## OUR APPROACH: TAX EVASION AND FACILITATION OF TAX EVASION

<sup>1</sup> ‘associated persons’ means all employees, officers, agents, contractors and any third party who provides services for or acting on behalf of CRE

We expect all our employees and anyone who works for us – e.g. contractors, consultants – 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).

Specifically, we expect all employees and associated persons to be able to identify and take steps to prevent scenarios where it is reasonably foreseeable that there may be a risk of tax evasion and/or the facilitation of tax evasion, either in the UK or overseas.

We support the questioning and eventual declining of business where there are justified suspicions of tax evasion or the facilitation of tax evasion. All cases of suspicion should be first reported (see below) before decisions affecting existing or future business relationships are made.

We expect all parties acting with us or for us to adopt a similarly robust approach and, to this end, share this policy with our suppliers, contractors and business partners at the outset of our business relationship and as appropriate after that.

For the purposes of your employment, you will be considered to have committed a serious offence if:

- you undertake tax evasion or knowingly facilitate tax evasion whilst acting in your capacity as an employee, or
- you become aware that another associated person of the business (for example, a fellow employee, agent, supplier etc) has undertaken or is in the process of undertaking tax evasion or facilitating tax evasion, and you fail to report it.

## **HOW TO REPORT SUSPICION OF TAX EVASION AND/OR FACILITATION OF TAX EVASION**

If you know, or suspect, that tax evasion or the facilitation of tax evasion has taken place, or is taking place, you are required to report it. You are encouraged to raise concerns about any issue or suspicion of tax evasion at the earliest possible stage.

Please discuss with your line manager in the first instance or consult directly with CRE's General Counsel (legal). You can also report your suspicions in accordance with the process set out in our Whistleblowing / Confidential Reporting Policy.

### **Protection**

Individuals who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. We are committed to ensuring no one suffers any detrimental treatment as a result of:

- refusing to take part in, be concerned with, or facilitate tax evasion or foreign tax evasion by another person;
- refusing to aid, abet, counsel or procure the commission of a tax evasion offence or a foreign tax evasion offence by another person; or
- 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.

Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with reporting a concern. If you believe that you have suffered any such treatment, you should inform your line manager or HR immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure.

### **REVIEW**

This policy will be reviewed regularly to ensure it remains compliant with relevant legislation and current company strategy.

Dougie Sutherland  
Chief Executive Officer