



TAX EVASION POLICY

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Overview

M.V. Kelly Limited has a statement on anti-facilitation of tax evasion. It is our policy to conduct all our business dealings in an honest and ethical manner. M.V. Kelly Limited's tax approach is covered in the Groups Tax Strategy.

All employees and those who have a business relationship with M.V. Kelly Limited must familiarise themselves with our Anti-Tax Evasion Statement and act at all times in a way which is consistent with our statement.

Who is responsible for this policy?

The Board of Directors has overall responsibility for ensuring that this policy complies with our legal and ethical obligations and that employees and associates comply.

The management team has day to day responsibility for ensuring all other employees reporting to them understand and abide by this policy.

This policy is reviewed and approved on an annual basis by the Board of Directors.

Approach

M.V. Kelly Limited endeavour to promote this policy and take reasonable steps to prevent anyone representing them from facilitating in tax evasion.

The risk of M.V. Kelly facilitating tax evasion is logged on the company's risk register and is reviewed regularly.

Due diligence procedures are carried out by the finance department on potential new suppliers and subcontractors, who are also required to declare if they do or do not facilitate in evasion of tax.

New employees are required to comply with the policy and complete the tax evasion information and training document on induction.

The policy is readily available on M.V. Kelly Limited's website for all associates and third parties to familiarise themselves with the Anti-Tax Evasion Statement.

Anti-Tax Evasion Statement

M.V. Kelly Limited has a zero-tolerance approach to all forms of tax evasion and the facilitation of tax evasion.

Employees and associates of the Company must not undertake any dealings which:

- (a) Cause the Company to commit a tax evasion offence
- (b) Facilitate a tax evasion offence by a third party who is not an associate of the Company.

Employees and associates must report any concerns or suspicions of Tax Evasion as soon as possible.

We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships. At all times, business should be conducted in a manner whereby the opportunity for tax evasion is prevented.

Who must comply with this policy?

This policy applies to all persons working for or on behalf of M.V. Kelly Limited in any capacity. This includes but is not limited to employees, directors, and associates (such as agency workers, apprentices, contractors, external consultants, suppliers, and third-party representatives.)

What is Tax Evasion?

Tax Evasion is defined as an act of cheating the public revenue or fraudulently evading any form of 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.

What is the facilitation of Tax Evasion?

Facilitation of Tax Evasion 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 done deliberately and dishonestly.

Facilitating tax evasion could be part of wider criminality, other policies (e.g. the Anti-Bribery, Modern Slavery Act policy) are also relevant in seeking to prevent tax facilitation offences.

Tax Avoidance

Tax avoidance is the use of legal methods to lower the amount of tax owed by deliberately bending the rules of the tax system to gain a tax advantage. This would involve contrived transactions that serve little or no purpose other than to produce this benefit. It involves operating within the letter but not the spirit of the law.

M.V. Kelly Limited adhere to relevant tax laws, rules, and regulations. External advice is taken on any area of uncertainty.

Tax Mitigation

Tax mitigation or tax planning is the legal use of regulated schemes to reduce tax liabilities within the intent of law.

It reduces the tax risk as it utilises tax reduction methods in the way they were intended.

M.V. Kelly Limited tax planning is managed in the most tax efficient manner whilst ensuring compliance with all relevant laws.

Indicators of tax evasion or avoidance

The best defence against tax evasion or avoidance is for all associates remaining vigilant and having a common sense approach.

Common signs of tax avoidance include:

- Statements that sound too good to be true
- Pay in the form of loans that are not expected to be paid back
- High benefits which are disproportionate
- Money being moved around in circles
- Claims suggesting an arrangement is endorsed or approved by HMRC or that it can increase take home pay

General indicators to look out for:

- Anything unusual about the way an associate or third party is conducting their relationship with the company
- Anything unusual about the associate's or third parties conduct or behaviour in your dealings with them
- Any unusual payment methods
- Reluctancy to provide applicable documentation on request

What Employees and Associates Must and Must Not Do

Employees and associates:

- Must:
 - Read and observe this policy
 - Practice vigilance when dealing with third parties (see section: Indicators of tax evasion or avoidance)
 - Act with integrity
 - Comply with applicable laws
- Must not:
 - Engage in any form of tax evasion or the facilitation of tax evasion
 - Fail to report a request or demand from any third party to facilitate in evasion of tax
 - Retaliate against another party for refusing to commit tax evasion or the facilitation of tax evasion
 - Retaliate against another party for raising concerns under this policy

In addition, associates must on request:

- Provide evidence
 - Of registration for relevant taxes
 - Supporting tax applied to any payment requests
- Comply with any other procedures M.V. Kelly considers reasonable

Failure to comply

If an employee is found in breach of this policy, we reserve the right to take disciplinary action up to and including dismissal and termination of contract.

If an associate or any other party engaged with M.V. Kelly Limited are found not to comply with this policy, then we reserve the right to cease to trade or engage.

If applicable M.V. Kelly Limited would report any concerns or findings directly to HMRC or the police, which could result in serious penalties and potential criminal charges under the Criminal Finance Act 2017.

How to raise a concern?

Any concerns about any issue or suspicion of Tax Evasion are to be reported as soon as possible. If there is any suspicion of any intention that a team member or third party is attempting to, or committing Tax Evasion, the details of the parties and the transaction must be reported to enable the information to be sent to HMRC.

Any queries or suspicions should be directed in the first instance to your line manager or anyone in the management team or a director. Any employee who has concerns on who to report it to can also refer to the Whistleblowing policy.

For associates and third parties, legitimate concerns can be raised directly with a director via reception or our website or contact HMRC directly via their 'Report Tax Evasion' contact details.