

Anti-Facilitation of Tax Evasion Policy

Purpose

The purpose of this Policy is to:

- reinforce ABP's commitment to conduct all business in an honest and ethical manner taking a zero-tolerance approach to Tax Evasion;
- set out your responsibilities in respect of observing and upholding our position on preventing the criminal offence of Tax Evasion Facilitation; and
- provide information and guidance on how to recognise and avoid Tax Evasion Facilitation in connection with ABP's business.

Scope

This Policy applies to all individuals working for ABP (including any ABP group company) or on our behalf in any capacity (e.g. employees, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, sub-contractors, external consultants, suppliers who perform services on behalf of ABP, third-party representatives, business partners or any other person associated with us, wherever located).

Policy Statement

ABP takes a zero-tolerance approach to Tax Evasion Facilitation. It is ABP's policy to conduct all of our business in an honest and ethical manner. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships.

ABP has a number of controls and procedures in place to prevent Tax Evasion Facilitation. You are expected to report any concerns about any issue or suspicion of Tax Evasion Facilitation as soon as possible.

Responsibilities

You are responsible for ensuring that you read, understand and comply with this Policy. In particular you must (i) avoid any activity that might lead to, or suggest, a breach of this Policy; and (ii) report as soon as possible if you believe or suspect that a breach of this Policy has occurred, or may occur in the future.

All Line Managers are responsible for ensuring those reporting to them are made aware of and understand this Policy and that time is made available for individuals to attend any training provided on this Policy.

The Executive Team, under the guidance of the General Counsel & Company Secretary, has overall responsibility for ensuring that all those under ABP's control comply with this Policy.

The General Counsel & Company Secretary, with the support of the Group Data Protection & Compliance Officer, has day to day responsibility for this Policy.

Policy Details

What is Tax Evasion Facilitation?

Tax Evasion is the criminal offence of deliberately (either with deliberate action or by omission with dishonest intent) cheating the public revenue or fraudulently evading UK tax (including national insurance contributions). It also includes where the evasion of tax is committed in a foreign company where that action is an offence in that country and would also be an offence if committed in the UK. All references in this Policy to **Tax Evasion** includes UK and foreign tax evasion.

Tax Evasion Facilitation is the criminal offence of:

- being knowingly concerned in, or taking steps with a view to, Tax Evasion, by another person; or

- aiding, abetting, counselling or procuring the commission of that offence.

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).

Criminal Finances Act 2017

Under the Criminal Finances Act 2017, a commercial organisation such as ABP, can be found to have committed a criminal offence, where a person who is acting for ABP deliberately and dishonestly takes action to facilitate Tax Evasion Facilitation by the taxpayer. ABP does not have to have deliberately or dishonestly participated in the Tax Evasion Facilitation itself. Instead the fact that a person acting for ABP has done so (whether an employee or such other person acting on behalf of ABP), can create liability for ABP.

A corporate offence is only committed when you deliberately and dishonestly take action to facilitate the Tax Evasion Facilitation. If you do not take any such action, then the offence will not be committed. However, a deliberate failure to report suspected Tax Evasion *i.e.* 'turning a blind eye' to suspicious activity, could amount to criminal Tax Evasion Facilitation.

If ABP was found liable in connection with Tax Evasion Facilitation, sanctions can include an unlimited fine, exclusion from tendering for public contracts and damage to our reputation

What is not acceptable

You must not:

- do anything which causes ABP to commit a Tax Evasion offence;
- do anything which causes ABP to facilitate a Tax Evasion offence by a third party;
- engage in any other activity that might lead to a breach of this Policy;
- threaten or retaliate against another individual who has refused to commit a Tax Evasion offence or who has raised concerns under this Policy;
- fail to promptly report any request or demand from any third party in connection with any Tax Evasion Facilitation or any suspected fraudulent Tax Evasion by another person, in accordance with this Policy.

Breaches

Tax Evasion Facilitation is a criminal offence under the Criminal Finances Act 2017 and ABP will investigate any actual or suspected breach of this Policy. Any employee who breaches this Policy is likely to face disciplinary action, which, if the employee is found to have participated in Tax Evasion Facilitation, is likely to result in dismissal for gross misconduct. Any non-employee who breaches this Policy will have their contract terminated with immediate effect.

How to Raise a Concern

ABP is committed to maintaining the highest possible standard of integrity in all our business dealings. Everyone at ABP has a responsibility to raise any genuine concerns about any suspected breaches of this Policy. Turning a blind eye is not acceptable. You can raise your concern by:

- Speaking to your Line Manager;
- Contacting the General Counsel & Company Secretary;

- Calling the confidential and independent Whistleblowing Hotline Number which is 0800 374 199. Your concern will be treated in the strictest of confidence and everything possible will be done to protect your identity – see the [Whistleblowing Policy](#) for more information.

ABP will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.

If you are unsure about whether a particular act constitutes or could potentially constitute Tax Evasion or a breach of this Policy or if you have any other queries, please speak to your Line Manager or the General Counsel & Company Secretary or any other member of the Legal Team.

The General Counsel & Company Secretary is to be notified of any reports of any breaches or suspected breaches of this Policy.

Potential Reflag Scenarios

The following is a list of some examples of possible potential Tax Evasion situations that may arise when working for ABP. If you encounter any of these red flags while working for us, you must report them promptly (see the *How to Raise a Concern* section above). These are illustrative only and the list below is not exhaustive:

- You become aware, in the course of your work, that a third party has made, or intends to make, a false statement relating to tax, has failed to disclose income or gains or register with HMRC (or equivalent), 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;
- You become aware, in the course of your work, that a supplier or other third party has deliberately failed to register for VAT (or the equivalent), or failed to account for VAT;
- A supplier or other third party requests payment in cash from ABP and/or refuses to sign a formal commission or fee agreement, or provide an invoice or receipt for a payment made by ABP;
- You become aware, in the course of your work, that a third party working for ABP as an employee asks to be treated as a self-employed contractor, but without any material changes to their working conditions;
- A supplier or other subcontractor, is paid gross when they should have been paid net, under a scheme such as the Construction Industry Scheme;
- A third party requests that payment is made to a country or geographic location different from where the third party resides, or conducts business;
- A third party to whom ABP 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;
- You receive an invoice from a third party that appears to be non-standard, or customised;
- A third party insists on the use of side letters, or refuses to put terms agreed in writing in a suspicious manner, or asks for contracts or other documentation to be backdated without a sensible explanation for the request being provided;
- You notice that ABP has been invoiced for a commission or fee payment that appears too large or too small, given the service stated to have been provided;
- A third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used or known to ABP;

- You become aware that a customer or third party seeks to under declare the weight of goods at one of ABP's weighbridges (either directly, or by applying pressure on a stevedore, or other goods handler, to do so);
- You become aware of a customer or third party requesting that goods which have not been declared or in respect of which, customs duty has not been paid, are removed from temporary storage areas in one of our ports;
- A customer asks ABP for support to enable it to unlawfully evade the payment of business rates.
- You become aware that a customer is using incorrect customs codes.

If you have any suspicions, concerns or queries regarding a potential breach of this Policy, you should raise these with your Line Manager (or as set out in the *How to Raise a Concern* section above) as soon as possible.

This Policy does not form part of any employee's contract of employment and we may amend it at any time.

Policy Control Table

Policy Control	
Name of Policy	Anti-Facilitation of Tax Evasion Policy
Date approved by ABP Board	April 2019. 8 February 2021
Last Review Date	February 2021
Revision History	2019, 2021
New Review Date	February 2022
Related Policies, Procedures, Guidance etc	Whistleblowing Policy; General Code of Conduct; Anti-Corruption & Bribery Policy
Relevant Legislation	Criminal Finances Act 2017
Policy Owner	General Counsel & Company Secretary
Lead Contact / Author	Group Data Protection & Compliance Officer
Version and date issued	V2 8 February 2021