



The Generator Specialist

Anti-Facilitation of Tax Evasion Policy

Purpose of the Policy:

Power Electrics (Bristol) Limited (the Company) are committed to prevention, deterrence and detection of criminal tax evasion and the criminal facilitation of tax evasion. It is our policy to conduct all of our business dealings in an honest and ethical manner. The Policy Statement governs all of our business dealings and the conduct of all persons or organisations who are appointed to act on our behalf.

We request all our staff members and all who have, or seek to have, a business relationship with the Company, to familiarise themselves with our anti-tax evasion policy statement and to act at all times in a way which is consistent with our Anti-Facilitation of Tax Evasion Policy.

Introduction:

On 30th September 2017, the Criminal Finances Act 2017 (*the Act*), came into force to demonstrate the UK Government's commitment to preventing tax evasion in all its forms. The UK government believes that companies and partnerships should be criminally liable where they fail to prevent those who act for them, or on their behalf, from criminally facilitating tax evasion. As a result, it has created a new corporate criminal offence of failing to prevent the facilitation of tax evasion.

The Company could face prosecution under the Act if it fails to have reasonable procedures in place to prevent the facilitation of tax evasion. There are serious criminal penalties for committing an offence under the Act. Additionally, conviction will have serious consequences for the Company's reputation and business relationships.

Anti-Tax Evasion Policy Statement:

The Company has a zero-tolerance approach to all forms of tax evasion, whether under current UK law or under the law of any foreign country. All staff members and any associates of the Company must not undertake any transactions which:

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

The Company are committed to acting professionally, fairly and with integrity in all of our business dealings and relationships, wherever we operate and implementing and enforcing effective systems to counter tax evasion facilitation. At all times, business should be conducted in a manner such that the opportunity for, and incidence of tax evasion is prevented.

The Policy applies to all persons working for, or on behalf of the Company in any capacity, including staff members at all levels, directors, officers, and associates including but not limited to agency workers, interns, contractors, external consultants, third-party representatives and business partners, sponsors or any other person associated with us, wherever located.

The Board of Directors for the Company have overall responsibility for ensuring that this Policy complies with our legal obligations, and our staff members and associates comply with it. This Policy is adopted by the Company. It may be varied or withdrawn at any time at the Company's discretion. All Line Managers are responsible for ensuring that all those reporting to them understand and comply with this policy and are given adequate and regular training on it.

The Offence:

Tax Evasion means an 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. Tax evasion is committed where a person knowingly takes steps to fraudulently reduce the amount of tax that they should otherwise have paid.

Facilitation of Tax Evasion means being knowingly concerned in, or actively taking steps to fraudulently evade tax, whether UK tax or tax in a foreign country by another person, or aiding, abetting, or counselling the commission of that offence. Tax evasion facilitation is a criminal offence, where it is done deliberately and dishonestly. This means the Company may have committed an offence if a person has facilitated tax evasion while acting in their capacity as an associate of the Company.

Remember:

- the person who knowingly facilitates tax evasion can be as guilty as a person who evades tax;
- the Company may still be guilty of an offence under UK law even if the facilitation activity is committed overseas and, if UK tax is evaded, irrespective of whether it would be illegal under local law;
- if the facilitation activity takes place in the UK or concerns a UK company, branch, person or other entity, the offence will in certain circumstances extend to cover the evasion of tax in jurisdictions other than the UK;
- fraudulent tax evasion and the deliberate and dishonest facilitation of fraudulent tax evasion are criminal offences, and the Company will, in appropriate circumstances bring any such activity that it identifies to the attention of the relevant authorities.
- Further information on the scope of the offence and the main areas of risk is available from the Finance Director or the Accounts Manager/s of the Company.

Company Responsibilities:

The Company has identified a number of ways in which employees involved in procurement, negotiating contracts, and producing or settling invoices for customers or suppliers could be encouraged to become involved in the criminal facilitation of tax evasion, including, but not limited to false invoicing schemes, fraudulent VAT transactions, employment, consultancy, or agency arrangements designed to evade tax and artificial and contrived contracts and transactions.

The Company prohibits the involvement of its employees and its associates in all such criminal activity and encourages all to be aware of this risk and to report any concerns that they may have that this Policy is being breached. You should be mindful of the following factors that might indicate that a contractual arrangement or transaction is being used for the fraudulent evasion of tax:

- Requests to make or receive payments in cash rather than through an account with a recognised bank;
- Requests to make or receive payments in a jurisdiction with which the other contracting party does not have a connection, particularly those with a low tax transparency rating;
- High value, multijurisdictional transactions; transactions or invoices sent to non-UK-resident customers, particularly to those resident in jurisdictions with a low tax transparency rating;
- Non-face-to-face business relationships/transactions and contractual arrangements involving multiple third parties or intermediaries where the reason for this is unclear;
- You should refuse any request from third parties to enter into contractual or invoicing arrangements where you know or suspect that the arrangements will be used to enable the fraudulent evasion of tax;
- You should report the request to your Line Manager and the Compliance Director as soon as practicable giving as much detail as possible to enable them to make a record of the request and decide whether any further preventative action should be taken.



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If you know or suspect that other individuals are providing assistance in breach of this Policy or you identify suspicious transactions or invoices that may be in breach of this Policy, you should speak to the Financial Director, Accounts Manager/s or your Line Manager as soon as possible.

Raising Concerns:

If at any time you are concerned about whether a particular transaction or activity may amount to tax evasion, criminal facilitation of tax evasion or a breach of this Policy, you should raise any question or concern at the earliest possible opportunity with the Financial Director, Accounts Manager/s or your Line Manager, or via the Company's whistleblowing policy which can be found in the Staff Handbook.

All matters raised will be dealt with in strict confidence and you will not suffer any adverse consequence for refusing to engage in the facilitation of tax evasion or for reporting instances in which you suspect that this Policy has been breached, even if this may result in the Company losing business.

The Anti-Facilitation of Tax Evasion Policy will be amended on an annual basis from the date shown below.



Mr A Jordan
Financial Director

Date: 14th November 2025