

## **Vyce Policy on Preventing the Facilitation of Tax Evasion**

**Last Updated: 4th March 2025**

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### 1. Policy Overview

Vyce Contracts Limited is committed to zero tolerance towards tax evasion and the facilitation of tax evasion, in full compliance with the Criminal Finances Act 2017. This policy applies to all employees, agents, contractors, and any third party providing services on behalf of Vyce Contracts Limited (collectively referred to as “associated persons” under this legislation).

Failure to comply with this policy could result in criminal prosecution, unlimited financial penalties, and reputational damage. Individual breaches may lead to disciplinary action, including dismissal, and potential personal liability under criminal law.

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### 2. Background: Criminal Finances Act 2017

The Corporate Criminal Offences (CCO) under Sections 45 & 46 of the Criminal Finances Act 2017 introduced two new offences:

- Failure to prevent facilitation of UK tax evasion.
- Failure to prevent facilitation of foreign tax evasion.

Under this legislation, if an associated person of Vyce Contracts Limited criminally facilitates tax evasion, and Vyce cannot demonstrate that it had reasonable prevention procedures in place, Vyce may be held criminally liable.

Tax evasion and its facilitation are serious criminal offences, punishable by fines and custodial sentences for individuals, and unlimited fines for businesses.

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### 3. Who is Covered by this Policy?

This policy applies to all individuals associated with Vyce Contracts Limited, including:

- Employees (full-time, part-time, fixed-term, temporary, and agency staff)
- Contractors, consultants, and outsourced service providers
- Volunteers, interns, and trainees
- Suppliers, business partners, and distributors
- Board members, officers, and senior management
- Clients, customers, government agencies, and their representatives

Each individual must ensure compliance within their role and responsibilities, avoiding any actions that could be construed as facilitating tax evasion.

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### 4. What is Tax Evasion and Facilitation of Tax Evasion?

#### Tax Evasion

Tax evasion is the deliberate and dishonest act of avoiding the correct payment of taxes. Examples include:

- Concealing income or assets to evade tax liability.
- Falsifying tax returns or financial statements.
- Using offshore accounts to hide taxable income.

#### Facilitation of Tax Evasion

This occurs when a person knowingly and dishonestly assists another in committing tax evasion. Examples include:

- Manipulating invoices to incorrectly calculate VAT.
- Making payments into undeclared overseas accounts.
- Falsifying business records to understate taxable revenue.
- Overstating cross-border intercompany charges to reduce tax liabilities.
- Deliberate misclassification of workers to avoid payroll tax obligations.

Under the Criminal Finances Act 2017, Vyce Contracts Limited may be held criminally liable for failing to prevent an associated person from facilitating tax evasion.

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### 5. Our Zero-Tolerance Approach

Vyce Contracts Limited does not tolerate tax evasion or facilitation of tax evasion, whether in the UK or overseas. All employees and associated persons must:

- Refuse to engage in any activity that could facilitate tax evasion.
- Question suspicious transactions that appear irregular.
- Report concerns immediately to the Compliance Officer.
- Follow due diligence procedures when dealing with third parties.
- Maintain accurate records of all financial transactions and reporting.

Vyce Contracts Limited will terminate relationships with any individual or organisation found to be in breach of this policy.

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### 6. Identifying Red Flags

Employees must be aware of potential warning signs that indicate a risk of tax evasion or its facilitation. These include:

🚩 Supplier requests payment into an offshore account or a different account than what is stated on an invoice. 🚩 Pressure to approve an invoice that does not align with standard practices. 🚩 A third party offers a discount in exchange for avoiding VAT charges. 🚩 Requests to manipulate invoices (e.g., adjusting VAT amounts). 🚩 An organisation refuses to provide tax identification numbers or documentation. 🚩 Unusual contractual structures designed to obscure taxable transactions. 🚩 An employee claims to have found a tax 'loophole' or shortcut.

Any suspicions must be reported immediately and must not be ignored or overlooked.

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### 7. Responsibilities of Employees and Associated Persons

## Preventing Facilitation of Tax Evasion

All employees, contractors, and associated persons must:

- Be vigilant to the risks of tax evasion.
- Follow all due diligence procedures when engaging with new business partners.
- Ensure transactions are legitimate and supported by accurate documentation.
- Report any suspicions immediately to the Compliance Officer.
- Complete mandatory training on financial crime prevention.

Any employee who fails to report suspicious activity or participates in tax evasion will be subject to disciplinary action, including potential dismissal.

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## 8. Reporting Suspicious Activity

Vyce Contracts Limited encourages all employees to report suspicions of tax evasion or facilitation immediately.

### ♦ How to report:

- Line Manager: First point of contact for concerns.
- Compliance Officer: [compliance@vyce.io](mailto:compliance@vyce.io)
- Confidential Whistleblowing Line: 0203 868 6303

### ♦ Protection Against Retaliation

- Employees reporting in good faith will not face retaliation.
- Concerns will be investigated confidentially and fairly.
- Anonymous reports will be reviewed and acted upon where possible.

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## 9. Training & Awareness

Vyce Contracts Limited provides mandatory training to employees and associated persons to:

- Identify signs of tax evasion and facilitation risks.
- Understand reporting obligations and whistleblowing protections.
- Ensure compliance with the Criminal Finances Act 2017.

Ongoing monitoring and audits will ensure the effectiveness of this policy.

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## 10. Compliance Monitoring & Enforcement

Vyce Contracts Limited will:

- Conduct regular compliance audits to assess financial crime risks.
- Maintain detailed records of all tax-related transactions.
- Investigate all allegations of tax evasion or facilitation.
- Take disciplinary action, including contract termination, against violators.
- Cooperate fully with law enforcement and HMRC investigations.

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## 11. Governance & Policy Review

This policy is overseen by the Vyce Contracts Limited Board of Directors and will be reviewed annually to ensure continued compliance with UK law.

For policy-related inquiries or concerns, contact:

- Compliance Officer: [compliance@vyce.io](mailto:compliance@vyce.io)
- Website: [www.vyce.io/contact](https://www.vyce.io/contact)

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This policy will be updated as required to remain compliant with UK legislation and best practices.