



PREVENTION OF TAX EVASION POLICY

VERSION 2.0 DECEMBER 2018



REED & MACKAY

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POLICY STATEMENT

Reed & Mackay is committed to conducting all its business dealings in an honest and ethical manner. This policy demonstrates Reed & Mackay's commitment to zero tolerance with regards to tax evasion.

Reed & Mackay's brand promise, 'Extraordinary Travel Management' necessitates diligence in all business undertakings and to never compromise on quality or compliance to regulatory and statutory requirements.

Reed & Mackay has established relevant governance, systems and reporting mechanisms to ensure that due care and diligence is carried out prior to establishing business relationships with potential partners, suppliers and clients, thus ensuring that Reed & Mackay only conducts its business with reputable partners, clients and suppliers who are involved in lawful activities undertaken in good faith, including the prevention and facilitation of tax evasion.

The aims of this policy are:

1. To demonstrate Reed & Mackay's commitment to conduct all business operations ethically and professionally.
2. To comply with the relevant regulatory and legislative requirements in all locations where Reed & Mackay operate in.
3. To set out responsibilities and create awareness amongst all employees, contractors, partners, agents and 3rd parties working for and on behalf of Reed & Mackay so that they carry out due diligence and operate in a compliant manner.
4. To continually identify risks and manage risk of serious financial loss, loss of client confidence and other related risks which may result from a failure to prevent tax evasion.
5. To provide information and guidance to those working with Reed & Mackay on how to identify and deal with tax evasion issues.
6. To maintain proper finance systems for recording, reporting and auditing of financial information.

POLICY SCOPE & COMPLIANCE

Reed & Mackay adheres to all current legislation and regulations and compliance is compulsory since any breach may result in a criminal offence punishable by law and significant reputational damage.

This policy applies to all employees, agents, partners, contractors, suppliers and 3rd party organisations in all locations involved in the provision of Reed & Mackay's services and products. Reed & Mackay staff in all locations where Reed & Mackay operate are required to record and promptly report all suspicious activities to the Head of Operations or their departmental head who immediately escalates these issues to the Chief Financial Officer. In the Chief Financial Officer's absence, reporting should be made to the Finance Director.

The Chief Financial Officer is responsible for reviewing reported incidents and, if appropriate, reporting any suspicious activity or transaction to the appropriate authority in the jurisdiction where the tax evasion incident originates.

All employees, contractors, partners, agents and 3rd parties working for and on behalf of Reed & Mackay are responsible for complying with this policy. Willful or negligent disregard of this policy will be investigated and may be treated as a disciplinary issue.

The Resilience Working Group is responsible for identifying statutory, regulatory and contractual requirements that the company must adhere to and ensures that policies are defined and communicated.

If there are any queries or requests for clarification regarding the implications of this policy or how it may apply to you, seek advice from the Governance, Risk Management & Compliance department or the Chief Financial Officer.

DEFINITIONS

Tax evasion: the illegal practice of intentionally not paying taxes, for example:

- a) not reporting income
- b) reporting expenses not legally allowed or
- c) not paying taxes owed

Tax evasion is a criminal offence. Instances where tax evasion may occur in a business involve income tax, employment tax, Value Added Tax (VAT), national insurance contributions and their equivalent in non-UK jurisdictions, etc.

Foreign tax evasion involves not paying tax in a foreign country, provided that the conduct is an offence in that country and is a criminal activity if committed in the UK.

The consequences for Reed & Mackay if it is found to have facilitated tax evasion, include an unlimited fine, exclusion from tendering for contracts and damage to reputation.

Tax avoidance: This is when someone uses the tax system to reduce or lower the amount of income tax one must pay. For example, in the UK, the government encourages savings and investment through an ISA account - free of tax.

POLICY GOVERNANCE, REVIEW & REVISION

The following table identifies who within Reed & Mackay is Accountable, Responsible, Informed or Consulted with regards to this policy.

RESPONSIBLE	Group Chief Financial Officer, Head of Governance, Risk Management & Compliance
ACCOUNTABLE	Group Chief Financial Officer
CONSULTED	In-house Legal Counsel, Finance Director
INFORMED	All employees, all contractors, all 3 rd party organisations with which Reed & Mackay work with

This policy will be reviewed as it is deemed appropriate, but no less frequently than annually. Policy review will be undertaken by the Group Chief Financial Officer and the Head of Governance, Risk Management & Compliance.

The Governance, Risk Management & Compliance department is responsible for holding internal audits to help assess compliance.

RISK ASSESSMENT & DUE DILIGENCE

Reed & Mackay regularly assesses the nature and extent of the risks relating to tax evasion to which it is being exposed. All suppliers are subject to a supplier approval process which captures risks associated with the supplier. Please refer to the Quality Management System Manual for detailed information on how Reed & Mackay addresses risks.

DONATIONS

- Reed & Mackay only makes charitable donations that are legal and ethical under local laws and practices.
- Reed & Mackay does not make contributions to political parties.
- No donations must be offered or made without the prior approval of the Group Chief Financial Officer.

RECORD KEEPING

Reed & Mackay maintains financial records and has internal controls in place which evidence the business reason for making and receiving payments. Financial tools used to electronically process payments have policy built into systems to ensure that the appropriate tax for each location where Reed & Mackay operate in is correctly charged.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts are prepared and maintained with strict accuracy and completeness. No accounts are kept “off-book” to facilitate or conceal improper payments.

RAISING CONCERNS

All staff, contractors, partners and agents are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. Reed & Mackay encourages openness and will support anyone who raises genuine concerns in good faith under this policy.

If you are unsure where an action constitutes tax evasion, or if you have any other queries, these should be raised with the Head of Operations in your location or the relevant department head who promptly notifies the Group Chief Financial Officer.

HOW TO REPORT

A report should be made to the Group Chief Financial Officer once someone becomes involved, either by giving advice or by being involved in the transmission of funds or transfer of assets, in an arrangement which may facilitate tax evasion when it is known or suspected that they may be tainted with illegality as soon as practicable.

AWARENESS & QUERIES

Reed & Mackay ensures that all employees, contractors and third parties carrying out activities for Reed & Mackay are made aware of the law regarding the prevention of tax evasion, Reed & Mackay’s

expectations of compliance and the process for reporting incidents. Reed & Mackay has established this policy which is accessible via the intranet to all staff.

Training and guidance is provided to relevant employees on how to identify and deal with transactions which may be related to these regulations via an e-learning solution which is delivered via Reed & Mackay's Learning & Development department.

If you wish to discuss any matter relating to this policy, contact either your department head or the Head of Operations in your location or the Governance, Risk Management & Compliance department or the Group Chief Financial Officer.