

Tax Evasion and Anti-Corruption Policy

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1. Introduction

Lucas UK Group Ltd ("the Company") is committed to conducting business in an ethical and lawful manner, ensuring full compliance with UK tax laws and anti-corruption legislation. We take a zero-tolerance approach to the facilitation of tax evasion, whether under UK law or under the law of any foreign country. This policy outlines our position on preventing tax evasion and corrupt practices, in line with the **Criminal Finances Act 2017**, the **Bribery Act 2010**, and other applicable laws.

2. Purpose and Scope

This policy applies to all employees, directors, contractors, consultants, suppliers, and any other associated persons working on behalf of the Company. It aims to prevent tax evasion, bribery, and corruption within our operations and supply chains and to ensure that all individuals acting on behalf of the Company uphold ethical business practices.

3. Legal Framework

Lucas UK Group Ltd complies with all relevant UK legislation, including but not limited to:

- The **Criminal Finances Act 2017** – which makes the facilitation of tax evasion a criminal offence.
- The **Bribery Act 2010** – which criminalises bribery and failure to prevent bribery.
- The **Finance Act 2021** – which strengthens tax compliance measures.

4. Prohibited Conduct

The Company strictly prohibits:

- Engaging in any form of facilitating tax evasion or foreign tax evasion.
- Aiding, abetting, counselling, or procuring the commission of a tax evasion offence by another person.
- Fraudulent misrepresentation or falsification of financial records.
- Participation in schemes designed to evade tax liabilities.
- Failure to report suspected tax evasion or corrupt activities.
- Retaliation against individuals who refuse to commit tax evasion or report concerns in good faith.

5. Responsibilities

All employees and associated persons must:

- Act with integrity and transparency in all business dealings.
- Comply with UK tax laws and anti-corruption legislation.
- Report any concerns related to tax evasion or corruption.
- Complete any required training on financial crime prevention.

The Managing Director has overall responsibility for ensuring this policy complies with our legal and ethical obligations, while the Manager has primary responsibility for its implementation, effectiveness monitoring, and auditing internal controls. Management at all levels is responsible for ensuring their teams understand and comply with this policy.

6. Understanding Tax Evasion Facilitation

For the purposes of this policy:

- **Tax evasion** is the offence of cheating the public revenue or fraudulently evading UK tax, which requires deliberate action or omission with dishonest intent.
- **Foreign tax evasion** involves tax evasion in another country, provided that the conduct is an offence in that country and would be a criminal offence if committed in the UK.
- **Tax evasion facilitation** means being knowingly concerned in, or taking steps to, fraudulently evade tax (UK or foreign), including aiding, abetting, counselling, or procuring the commission of such an offence.

Under the **Criminal Finances Act 2017**, a corporate entity or partnership commits an offence if an associated person facilitates tax evasion. This liability arises even if the company did not directly facilitate the tax evasion. However, negligence, ignorance, or accidental facilitation does not constitute an offence.

Tax evasion is distinct from **tax avoidance or tax planning**, which involves legally minimising tax liabilities.

7. Due Diligence and Risk Assessment

The Company will:

- Conduct due diligence on suppliers, clients, and business partners.
- Assess financial transactions for potential risks of tax evasion or corruption.
- Maintain clear financial records to prevent fraudulent activity.
- Identify and address potential “red flags,” such as:
 - Payments requested to offshore accounts without legitimate reasons.
 - Third parties requesting invoice alterations to obscure the nature of transactions.
 - Payments made to locations different from where a third party operates.

8. Training and Communication

Training on this policy forms part of the induction process for all individuals working for the Company. Regular training will be provided as necessary, potentially as part of broader financial crime detection and prevention measures.

9. Reporting and Whistleblowing

Employees and third parties are encouraged to report any suspected tax evasion or corrupt practices via:

- Line managers or senior management.
- A confidential whistleblowing mechanism (details available internally).
- Relevant authorities where appropriate.

We will support anyone who raises concerns in good faith, even if mistaken, and protect whistleblowers under UK law.

10. Consequences of Non-Compliance

Failure to comply with this policy may result in:

- Disciplinary action, including dismissal for misconduct or gross misconduct.
- Termination of contracts with suppliers, contractors, or business partners.
- Legal proceedings, including potential criminal sanctions.

The Company will fully cooperate with law enforcement agencies where required.

11. Review and Amendments

This policy will be reviewed annually and updated in line with legal and regulatory changes. Any amendments will be communicated to all relevant parties.

Signed



James Valentino

Director

4th February 2025