



THE BERKELEY GROUP HOLDINGS PLC ANTI-FACILITATION OF TAX EVASION POLICY

INTRODUCTION

It is the policy of The Berkeley Holdings Group plc, its subsidiary companies and joint ventures ('Berkeley', 'we') to conduct all of its business in an honest and ethical manner. We take a zero-tolerance approach to facilitation of tax evasion, whether under UK law or under the law of any foreign country.

Tax evasion is not the same as tax avoidance or tax planning. Tax evasion involves deliberate and dishonest conduct. Tax avoidance is not illegal but may involve taking steps, within the law, to minimise tax payable or maximise tax reliefs.

In this Policy, all references to tax and tax evasion include national insurance contributions (and their equivalents in any non-UK jurisdiction).

The purpose of this Policy is to:

- a) set out our responsibilities, and of those working for us, in observing and upholding our position on preventing the criminal facilitation of tax evasion; and
- b) provide information and guidance to those working for us on how to recognise, avoid and report tax evasion.

If Berkeley fails to prevent our employees, workers, agents or service providers, when working for us or on our behalf, from fraudulently assisting in tax evasion, we can face criminal sanctions including an unlimited fine, as well as exclusion from tendering for public contracts and damage to our reputation.

In this Policy, 'third party' means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential customers, suppliers, business contacts, agents, advisers, and government and public bodies, including their advisers.

SCOPE

This Policy applies to all persons working for Berkeley or on our behalf in any capacity, including employees at all levels, directors, agency workers, seconded workers, interns, agents, contractors, consultants, third-party representatives and business partners, or any other person associated with us, wherever located. It supplements Berkeley's Anti Bribery and Corruption Policy, Business Ethics Policy and Money Laundering, Terrorist Financing and Financial Sanctions Handbook, which provide additional controls that mitigate the risk of facilitating tax evasion.

Any employee who breaches this Policy will face disciplinary action, which may include dismissal. We may terminate our relationship with other individuals and organisations working on our behalf if they breach this Policy.

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WHO IS RESPONSIBLE FOR THE POLICY?

The Group Finance Director has overall responsibility for ensuring this Policy complies with our legal and ethical obligations and that all those under our control comply with it.

Everyone is responsible for ensuring those reporting to them understand and comply with this Policy.

1. WHAT ARE TAX EVASION AND TAX EVASION FACILITATION?

1.1. For the purposes of this Policy:

- a) **Tax evasion** means the 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;
- b) **Foreign tax evasion** means evading tax in a foreign country where the conduct is an offence in that country and would be a criminal offence if committed in the UK. There must be deliberate action, or omission with dishonest intent; and
- c) **Tax evasion facilitation** means aiding, abetting, counselling or procuring the commission of or being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of UK tax or foreign tax by another person. Tax evasion facilitation is a criminal offence, where it is done deliberately and dishonestly.

1.2. Under the Criminal Finances Act 2017, a separate criminal offence is committed automatically by a corporate entity or partnership where the tax evasion is facilitated by a person acting in the capacity of an "associated person" to that body. For the offence to be committed, the associated person must deliberately and dishonestly take action to facilitate the tax evasion by the taxpayer. If the associated person accidentally, ignorantly, or negligently facilitates the tax evasion, then the corporate offence will not have been committed. Berkeley does not have to have deliberately or dishonestly facilitated the tax evasion itself; the fact that the associated person has done so creates the liability for us.

2. WHAT YOU MUST NOT DO

2.1. In the course of your employment you (or someone on your behalf) must not:

- a) engage in any form of tax evasion, foreign tax evasion or tax evasion facilitation;
- b) fail to report promptly any request or demand from any third party to facilitate the fraudulent evasion of tax (whether UK tax or tax in a foreign country), or any suspected fraudulent evasion



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of tax (whether UK tax or tax in a foreign country) by another person, in accordance with this Policy;

- c) engage in any other activity that might lead to a breach of this Policy; or
- d) threaten or retaliate against another individual who has refused to commit a tax evasion offence or a foreign tax evasion offence or who has raised concerns under this Policy.

3. YOUR RESPONSIBILITIES

- 3.1. You must ensure that you read, understand and comply with this Policy.
- 3.2. The prevention, detection and reporting of tax evasion and foreign tax evasion are the responsibility of all those working for us or under our control. You are required to avoid any activity that might lead to, or suggest, a breach of this Policy.
- 3.3. You must notify your Finance Director as soon as possible if you believe or suspect that a conflict with this Policy has occurred, or may occur in the future. For example, if an employee or supplier who is onshore asks to be paid into an offshore bank account, or a supplier asks to be paid in cash.

4. HOW TO RAISE A CONCERN

- 4.1. You are encouraged to raise concerns about any issue or suspicion of tax evasion or foreign tax evasion at the earliest possible stage.
- 4.2. If you become aware of any fraudulent evasion of tax (whether UK tax or tax in a foreign country) by another person in the course of your work, or you are asked to assist another person in their fraudulent evasion of tax (whether directly or indirectly), or if you believe or suspect that any fraudulent evasion of tax has occurred or may occur you must notify your Finance Director as soon as possible.
- 4.3. Members of Staff may also raise concerns to the Head of Tax or Group Finance Director.
- 4.4. If you are unsure about whether a particular act constitutes tax evasion or foreign tax evasion, raise it with your Finance Director as soon as possible. You should note that the corporate offence is only committed where you deliberately and dishonestly take action to facilitate the tax evasion or foreign tax evasion. If you do not take any such action, then the offence will not be committed. However, a deliberate failure to report suspected tax evasion or foreign tax evasion, or "turning a blind eye" to suspicious activity could amount to criminal facilitation of tax

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evasion.

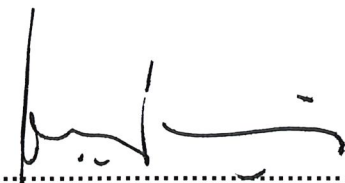
5. PROTECTION

5.1. Individuals who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under the Whistleblowing Policy, even if they turn out to be mistaken.

5.2. We are committed to ensuring no one suffers any detrimental treatment as a result of:

- a) refusing to take part in, be concerned in, or facilitate tax evasion or foreign tax evasion by another person;
- b) refusing to aid, abet, counsel or procure the commission of a tax evasion offence or a foreign tax evasion offence by another person; or
- c) reporting in good faith their suspicion that an actual or potential tax evasion offence or foreign tax evasion offence has taken place, or may take place in the future.

5.3. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Group Solicitor immediately in accordance with the Whistleblowing Policy.


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R C Perrins
Managing Director

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