



STATOM HOLDINGS Limited (Statom Group Limited, Statom Group North Ltd, Statom Plant Ltd, Statom Remediation Ltd, Demoforce Group Ltd, FL-Facilities Group Ltd, Slipform Technology Ltd, Spark Tech MEP Ltd, Franki Foundations UK Ltd, Martello Piling Ltd) ("Statom", "the Company")

We are committed to high standards of professional conduct, integrity and accountability. As a leading civil engineering and construction organisation, we recognise that the behaviour and standards of our people are fundamental to building a strong, respectful culture and protecting our reputation as a trusted industry leader.

We expect everyone working for or on behalf of the Company to act with professionalism, respect and responsibility at all times, reflecting our values and supporting a positive working environment. Clear standards of behaviour are essential to ensuring safety, quality and effective collaboration across our projects and teams.

1. Purpose

This policy establishes Statom Group's zero-tolerance approach to tax evasion and the criminal facilitation of tax evasion. It supports the Group's defence under Part 3 of the Criminal Finances Act 2017 by requiring reasonable prevention procedures proportionate to the risks arising from our workforce, supply chain, payments, procurement and business relationships.

2. Scope

This policy applies to all employees, directors, workers, agency workers, consultants, contractors, subcontractors, suppliers, agents, intermediaries, joint venture participants and any other person who performs services for or on behalf of Statom Group. It applies to UK and foreign tax evasion risks where the statutory jurisdictional tests are met.

3. Key Definitions

- Tax evasion is the dishonest and unlawful evasion of tax. It is distinct from legitimate tax planning or reliefs properly claimed within the law.
- Criminal facilitation means deliberate and dishonest assistance to another person's tax evasion. Accidental, ignorant or merely negligent conduct does not constitute the facilitation offence, although it may still breach Company controls.
- An associated person is an employee, agent or other person performing services for or on behalf of a relevant body, judged by function rather than contractual label.

4. Corporate Offences and Defence

The Criminal Finances Act 2017 creates separate corporate offences for failure to prevent facilitation of UK tax evasion and foreign tax evasion. The Company can be liable even where senior management did not know about the facilitation. A statutory defence is available where the Company had reasonable prevention procedures in place, or where it was not reasonable in the circumstances to expect such procedures.

5. Prevention Procedures

Statom will apply the six HMRC guiding principles:

- risk assessment of business activities, labour supply, procurement, payment practices and higher-risk relationships;
- proportionate procedures designed around identified risks rather than generic controls;
- top-level commitment from the Board and senior management;
- risk-based due diligence on associated persons, suppliers, subcontractors, agents and unusual payment arrangements;
- communication and training appropriate to role and exposure; and
- monitoring, review and improvement following incidents, acquisitions, changes in risk or law.

6. Prohibited Conduct and Red Flags

- creating or accepting false invoices, timesheets, CIS records, expense claims, payroll records or sham arrangements;
- agreeing cash, split, offshore, third-party or disguised payments intended to conceal taxable income or the true recipient;
- misclassifying workers or engagements deliberately to evade PAYE, NIC, CIS, VAT or other tax liabilities;
- helping a supplier, worker, client or other party conceal income, ownership, transactions or taxable activity;
- ignoring requests to alter dates, descriptions, identities, bank accounts or contractual terms where the purpose may be tax evasion;
- retaliating against anyone who raises a genuine concern.

7. Responsibilities and Escalation

Finance, Payroll, HR, Procurement and operational managers must apply the relevant approval, verification, worker-status, CIS, right-to-work, supplier and payment controls. No person may override a control to meet a commercial deadline. Any concern must be reported promptly to Finance, the Chief People Officer, a Director or through the Whistleblowing Policy. Records and potential evidence must be preserved.

8. Investigations and Consequences

The Company may pause a payment, transaction, engagement or supplier relationship while concerns are assessed. Suspected criminal conduct may be reported to HMRC, law enforcement or another competent authority following appropriate legal review. Breaches may lead to disciplinary action up to dismissal, termination of contract, recovery action and/or referral to authorities.

9. Related Policies

This policy should be read with the Anti-Fraud Policy, Anti-Bribery and Anti-Corruption Policy, AML and Counter-Terrorist Financing Policy, Conflict of Interest Policy, Whistleblowing Policy, Recruitment Policy, Expenses Policy and applicable finance, procurement and CIS procedures.

Approval and Review

This policy will be reviewed at least annually and earlier where legislation, regulatory guidance, case law, Company structure, operational risk or business practice changes materially. Substantive amendments require appropriate Group approval before issue.

AUTHORISED AND APPROVED

SIGNED



Gavin Hunt
Chief Development Officer

Review: Annually
Date: 01/06/2026
Next Review: 01/06/2027

SIGNED



Martina Oyite
Chief People Officer

Review: Annually
Date: 01/06/2026
Next Review: 01/06/2027

*Review: Annually or earlier where legislation, guidance, Company practice or operational requirements change.
This policy is subject to annual review and approval by the Board.*