

Avoidance of Tax Evasion Policy

Introduction to IO Controls:

Founded in 2004 and operating from offices in Milton Keynes and London, we specialise in Building Energy Management Systems offering Support Services, Project Delivery and Consultation.

Organisational Purpose:

To make Building Energy Management Systems (BEMS) easy!

Organisational Vision:

To provide all strategic and operational stakeholders with quality solutions through a highly engaged team working effectively and consistently.

Strategic Direction:

We aim to generate profitable growth through organic and non-organic means around a core commitment to Quality, Customer Loyalty and Employee Engagement.

Policy Summary:

This Policy summarises the arrangements of IO Controls (IOC) to ensure all associated persons, including employees and those acting on our behalf, do not facilitate tax evasion.

Policy Statements:

Tax evasion, tax fraud and attempts to facilitate such actions are antithetical to the ethos of IOC. These crimes cheat the government out of revenue it needs to create the conditions for our business to flourish. It amounts to little more than stealing from our customers and from ourselves.

IOC is committed to no tolerance for tax evasion, and we are committed to a dedicated programme to counter the risk of any employee, contractor, business partner or representative of our company engaging in the criminal facilitation of tax evasion.

We expect everyone who works with our company to fully comply with their tax obligations.

We will not tolerate, permit or allow any person associated with us to engage in the facilitation of tax evasion or tax fraud by any of our customers, suppliers, business partners, contractors or employees anywhere in the world.

IOC is committed to complying in full of the tax laws everywhere we operate, and we choose to do this by respecting not only the letter of the law, but the spirit of the underlying tax policy intent.

We aim to pay the right amount of tax at the right time, on all the eligible profits we make.

Employee Responsibilities

Our Policy sets the standards of behaviour we expect all employees to adhere to. Our employees have a responsibility to take reasonable action to prevent harm to IOC and we hold our employees accountable for their actions and omissions. Any actions that breach the Criminal Finances Act and the tax laws of wherever we operate brings harm to IOC and will not be tolerated.

You are responsible for properly following IOC policies and procedures. These should generally ensure that all taxes are properly paid. If you are ever asked by anyone either inside or outside our company to go outside our standard procedures, this should be reported without delay, as someone may be attempting to evade tax.

Any employee who has any concerns relating to any potential breach of this policy must immediately follow our whistleblowing policy and report the matter without delay.

Our Risk Assessment

Our risk assessment covers the categories of business operations we are involved in where there is a material risk of tax evasion.

High risk areas for our business include:

- Accounts payable
- Accounts receivable
- Payment to contractors

The key factors which may increase risk include:

- Cash transactions

Our detailed mitigations are generally recorded within the Procedures, Documents and Work Instructions of our ISO 9001:2015 accredited Quality Management System but at a high level include the following principles:

Accounts Payable

- Only contract with businesses which have good reputations.
- Ensure all information on an invoice is correct and as expected.
- Have the full contact details of the supplier and ensure it matches to where the payment is being made.
- Specify in contracts that VAT and other sales taxes must be added to invoices and have written reasons why such added taxes are not required.
- Do not pay suppliers in cash. If cash payments must be made, ensure they are properly invoiced, and a receipt is supplied.

Accounts Receivable

- Do not process off-system invoices.
- Ensure all invoices have the correct VAT coding.

Contractors

- Any wage payments outside of payroll must be expressly approved.
- Where tax is required to be deducted at the source this must be done.
- Cash payments should not be made. If they are, invoices and receipts must be present.
- Any tax related withholdings must be deducted and recorded.
- Payments without deductions should only be made if there is a reasonable expectation that the recipient will meet their tax obligations.

Our Commitments

IO Controls is committed to the following principles:

- Our business is carried out fairly, honestly, and openly in every part of our work.
- Our values inform everything we do.
- We will never sell any product or service where we know or suspect that any aspect of the transaction is being misused, abused or otherwise corrupted for the purposes of tax evasion.
- We will never buy any product or service from any supplier where it is known or suspected that any aspect of the transaction is being misused, abused or otherwise corrupted for the purposes of tax evasion.
- We will immediately terminate any agreement or business relationship as soon as our company learns of or suspects tax evasion may be taking place.
- We will not progress any business opportunity where there is any suspicion that any aspect of it may involve tax evasion.
- We will not do business with others who do not also hold to at least the same standard of preventing tax evasion.
- Any employee found in breach of this policy will be subject to disciplinary action.
- We will not tolerate any contractor, business partner, representative or other third party associated with us failing to uphold this policy.
- No employee will suffer demotion, penalty, or any other adverse action for reporting any breach of this policy or from refusing to carry out an action which may lead to a breach of this policy.

Communicating the Policy:

- This Policy will be maintained as documented information within the Quality Management System.
- This Policy will be communicated effectively within the organisation such that its intended meaning and impact is understood.
- Where required to support effective deployment, training related to this Policy will be provided.
- Efforts will be made to ensure the Policy is available to interested parties as appropriate.

This policy has been approved & authorised by:

Name: Dirk McManus

Position: Managing Director

Signature:

A handwritten signature in blue ink, appearing to read 'D McManus', is positioned below the 'Signature:' label.

Date: 12th March 2021

This Policy shall be reviewed annually or when otherwise required due to significant changes in circumstances.