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## Anti-Facilitation of Tax Evasion Policy

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### 1 INTRODUCTION

#### 1.1 Corporate policy on tax evasion

It is the policy of Pharos Energy plc (the **Company**) and its direct and indirect subsidiaries (together with the Company, the **Group**) to conduct business in an honest and ethical manner. We take a zero-tolerance approach to facilitation of tax evasion anywhere in the world. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate. We implement, enforce and monitor effective systems and controls to counter and prevent the facilitation of tax evasion.

#### 1.2 Purpose

The purpose of this Anti-Facilitation of Tax Evasion Policy (the **Policy**) is to provide guidance on the Group's approach to managing the risk and to support the implementation of reasonable procedures that are necessary to minimise the risk of the Group and its "associated persons" (see below) from failing to prevent the facilitation of tax evasion in the UK and overseas.

#### 1.3 Scope

This Policy applies worldwide to all persons working for us and our subsidiary companies in any capacity, including employees at all levels, directors, officers, temporary workers, agency workers, seconded workers, interns, agents, contractors, external consultants, third-party representatives and business partners, or any other person associated with us, including our Joint Ventures wherever located.

#### 1.4 Questions and further information

Any questions about the scope, meaning and effect of this Policy should be addressed to the Pharos Group Corporate Counsel/Head of Legal or an individual's line manager in the first instance.

### 2 WHAT IS FACILITATION OF TAX EVASION?

#### 2.1 The Criminal Finances Act 2017

Under the Criminal Finances Act 2017 (the **CFA**), as amended and supplemented from time to time, it is a criminal offence for a corporate entity to fail to prevent the facilitation of tax evasion (whether in relation to UK tax or foreign taxes).

#### 2.2 The requirements of the corporate offence

For the offence to occur an "associated person" providing services for and on behalf of the Company or another member of the Group to which the CFA applies must **deliberately and**

**dishonestly** take action to facilitate criminal tax evasion by a taxpayer. The facilitation of tax evasion means being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax by another person, or aiding, abetting, counselling or procuring the commission of that offence. Accordingly, the Company, or a relevant Group member, will be guilty of an offence under the CFA if:

- there is criminal tax evasion by a taxpayer (either an individual or legal entity) under the existing criminal law;
- an associated person of the Company or the relevant member of the Group has criminally facilitated that tax evasion; and
- the Company or the relevant member of the Group failed to prevent its associated person from committing the criminal facilitation.

### **2.3 Associated persons**

The definition of “associated person” under the CFA is broad and includes the following:

- an employee of the relevant body;
- an agent of the relevant body; and
- any other person who performs services for or on behalf of the relevant body.

### **2.4 Penalties and sanctions**

If the Company or another member of the Group is found guilty of this criminal offence, it will receive a criminal conviction and be subject to unlimited fines and/or confiscation orders. The Group would also suffer significant reputational damage.

### **2.5 Tax evasion as an individual offence**

Tax evasion facilitation is already a criminal offence for the individual involved, where it is done deliberately and dishonestly under existing law. Convictions of the tax evader and/or facilitator are not required for a successful prosecution to be brought against the Company for the failure to prevent the facilitation of tax evasion under the CFA.

### **2.6 The defence of “reasonable procedures”**

The only substantive defence available under the CFA is that the relevant body had “reasonable procedures” in place to prevent the facilitation of tax evasion. As such it is imperative that all Group staff, individual contractors and other “associated persons” are aware of and comply with this Policy.

## **3 YOUR RESPONSIBILITIES**

### **3.1 Understanding and compliance with Policy**

You must ensure that you read, understand and comply with this Policy. Group employees and certain individual contractors will be expected to certify compliance with the Policy on an annual basis.

### **3.2 Conduct**

The prevention, detection and reporting of tax evasion are the responsibility of all those working for the Group or under the Group’s control. You are required to avoid any activity that might lead to, or suggest, a breach of this Policy.

### **3.3 Reporting**

If you believe or suspect that there has been a breach of this Policy has occurred, or may occur in the future in connection with the Group's business, whether by an employee or any other Associated Person, you must notify your line manager, the Group General Counsel/Head of Legal or a member of the senior management team (as appropriate) as soon as practicable. Alternatively, you may report following the procedure set out in the Pharos Group Whistleblowing Policy (**Whistleblowing Policy**). The Whistleblowing Policy is contained in the Company's Staff Handbook, as the same may be amended and updated from time to time, and includes details of the confidential and independent 24 hour ethics hotline.

## **4 WHAT YOU MUST NOT DO**

### **4.1 Facilitation of tax evasion**

It is not acceptable for you (or for you to instruct someone on behalf of the Company or any other member of the Group) to:

- engage in any form of facilitation of tax evasion (whether in the UK or abroad); or
- aid, abet, counsel or procure the commission of a tax evasion offence by another person.

### **4.2 Failure to report or delay in reporting**

It is similarly not acceptable to fail to promptly report any request or demand from any third party to facilitate the fraudulent evasion of tax, or any suspected fraudulent evasion of tax by another person, in accordance with this Policy.

### **4.3 Threats, retaliation and hostile treatment**

It is also a breach of this Policy to threaten or retaliate against another individual, or to subject an individual to hostile treatment, where that individual has refused to commit a tax evasion offence, or who has raised concerns or suspicions of tax evasion or behaviour facilitating tax evasion under this Policy.

## **5 BOARD ENDORSEMENT AND WHISTLEBLOWER PROTECTION**

### **5.1 Board endorsement**

The board of directors of the Company (the **Board**) will not criticise, reprimand or negatively assess management or staff for any loss of business, or any increased cost of business, resulting from adherence to this Policy.

### **5.2 Pharos Group Whistleblowing Policy**

No employee or contractor will suffer as a consequence of bringing to the attention of the Board or senior management, in good faith, a known or suspected breach of this Policy. The Whistleblowing Policy and associated procedures sets out the process for raising such concerns and the protections available to any person doing so.

### **5.3 False or misleading reporting**

Anyone who makes a report under this Policy maliciously, or knows the report to be false or misleading, may be subject to disciplinary procedures.

## **6 TRAINING AND COMMUNICATION**

### **6.1 Group employees and individual contractors**

Training on this Policy forms part of the induction and annual compliance and certification process for employees and certain individual contractors. Refusal or failure by an individual to certify compliance with this Policy when requested will result in disciplinary action against the individual concerned, and may ultimately lead to their termination or dismissal for misconduct.

### **6.2 Dealings with third parties**

Our zero-tolerance approach to UK tax evasion and foreign tax evasion must be communicated to all agents, contractors, external consultants, third-party representatives and business partners of the Group at the outset of our business relationship with them and at appropriate intervals thereafter. Where practicable any contracts with counterparties should contain explicit provisions requiring compliance with the CFA and other applicable laws and regulations targeted at tax evasion.

## **7 BREACHES OF THIS POLICY**

### **7.1 Staff and individual contractors**

Any employee or individual contractor that breaches this Policy will face disciplinary procedures, which could result in dismissal or termination for misconduct.

### **7.2 Third parties**

We may terminate our relationship with other individuals and organisations working for us or on our behalf if they breach this Policy.



Katherine Roe  
Chief Executive Officer

**19 March 2025**