



WATCHES OF SWITZERLAND GROUP PLC

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# ANTI-FACILITATION OF TAX EVASION POLICY

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### 1. PURPOSE

The purpose of this Corporate Criminal Offence Policy (the “Policy”) is to:

- i. summarise the offences under Part 3 of the Criminal Finances Act 2017 (the “Act”);
- ii. set out our responsibilities in complying with the Policy in order to prevent the facilitation of tax evasion within the Watches of Switzerland Group; and
- iii. provide information and guidance on how to recognise and deal with facilitation of tax evasion issues.

References in this policy to:

“**Watches of Switzerland Group**”, “the Group” means Watches of Switzerland Group PLC and its subsidiaries.

“**Associated Persons**” includes employees, contractors, sub-contractors, suppliers and agents, and their employees, agents, or service providers. An associated person can be an individual or an incorporated body.

“**third party**” or “**third parties**” means any individual or organisation that you come into contact with during the course of your work for the Watches of Switzerland Group, and who is outside the Group and unconnected with it including actual and potential clients, suppliers, business contacts, agents, advisers, government and public bodies, including their advisers, representatives and officials, politicians, and political parties.

### 2. INTRODUCTION

This document outlines the Group’s zero tolerance approach to tax evasion and the facilitation of tax evasion, whether the tax evaded is owed in the UK, US or in a foreign country, by all associated persons or third parties acting for it or on its behalf.

The Policy is published as part of the Group’s commitment to implement and enforce effective systems throughout the businesses to monitor the risk of and to prevent and eliminate tax evasion, in accordance with the Act.

The facilitation of tax evasion is a criminal offence. If the Group is found to have taken part in the facilitation of tax evasion it could face an unlimited fine and significant damage to its reputation. The success of the Group’s anti-facilitation of tax evasion measures depends on all associated persons, like all Group employees and third parties helping to prevent tax evasion.

Associated Persons, are required to familiarise themselves and comply with the Policy, including any future updates that may be issued from time to time by the Group. Associated Persons are obliged to report any suspected facilitation of tax evasion in accordance with section 4.4 of this Policy. The Group will support any associated person that makes such a report, provided it is made in good faith.

The Group will regularly communicate its anti-facilitation of tax evasion measures to all its colleagues. Training on the Policy will form part of the induction programme of any new colleague or contractor of the Group who might be in a position to facilitate tax evasion. Training is provided annually

for relevant colleagues or contractors and may also be provided on an adhoc basis as required.

The Group will monitor the effectiveness and review the implementation of this Policy, on an annual basis to consider its suitability, adequacy, and effectiveness.

### **3. SUMMARY OF THE ACT AND CONSEQUENCES OF BREACH**

#### **3.1 Offences under the Act**

The Act has been in force since 30 September 2017 and created the corporate offence of the facilitation of tax evasion (the “offence”), in respect of both UK and foreign tax. There are three elements that apply to the offence:

1. criminal tax evasion by a taxpayer (either an individual or a legal entity);
2. criminal facilitation of the offence by an associated person acting in that capacity; and
3. the Group’s failure to prevent an associated person from committing the act/facilitating the offence.

A criminal offence will be committed by the Group under the Act if:

1. criminal tax evasion has been committed;
2. this was facilitated by an associated person; and
3. the Group does not have adequate procedures in place to prevent the facilitation of tax evasion.

#### **3.2 Consequences of breach of the Act**

A company found guilty of failing to prevent the facilitation of tax evasion could be liable to an unlimited fine and subject to ancillary orders such as confiscation orders or serious crime prevention orders.

### **4. RESPONSIBILITIES**

The Directors of each Group company have overall responsibility for ensuring the Policy complies with the Group’s legal and ethical obligations, and all

Associated Persons under their control comply with it.

Management at all levels are responsible for ensuring that colleagues reporting to them understand the Policy and those considered to be at risk of facilitating tax evasion are given adequate training as regularly as they consider necessary.

#### **4.1 Prohibition applicable to all Associated Persons**

Associated Persons are prohibited from facilitating any tax evasion, whether in respect of a UK, US or a foreign tax, whilst acting for or on behalf of the Group.

Where there is a UK tax evasion facilitation offence it does not matter whether the company is UK-based or established under the law of another country, or whether the associated person who performs the criminal act of facilitation is in the UK or overseas. In such cases the offence will have been committed and can be tried by the courts of the United Kingdom.

#### **4.2 Due Diligence**

Due diligence should be undertaken, in accordance with the Group’s procurement and risk management procedures, prior to entering into any contract, arrangement or relationship with a third party.

The extent of the due diligence carried out depends on the nature of the relationship and the risk of tax evasion occurring. Before entering into any contract, arrangement, or relationship you must make sure that appropriate personnel have been consulted and you have the approval of the business to proceed.

#### **4.3 Record keeping**

Accurate and complete financial records must be kept and appropriate internal controls must be in place which will evidence the business reason for making payments to third parties. No accounts must be kept “off book” to facilitate or conceal improper payments.

Particular care must be taken to ensure all company records are accurately maintained in relation to any

contracts or business activities, including financial invoices and all payment transactions with associated persons.

#### 4.4 Confidential reporting

The Group requires Associated Persons remain vigilant in preventing, detecting, and reporting tax evasion in all aspects of the business.

Any issues or concerns should be reported, as soon as possible to the Director of Audit & Risk, or Head of Tax or, if preferred, to a senior member of staff of your choosing, or through the independent Safecall procedures detailed in the Group's Whistleblowing policy. Any such reports will be promptly and discreetly investigated.

Issues or concerns that you should report include:

- any suspected or actual attempts to evade tax – particularly if you:
  - (i) are asked to facilitate tax evasion (or what you perceive to be tax evasion) by a third party, or
  - (ii) suspect that this may happen in the future, or
  - (iii) believe that you or the Group are inadvertently party to another form of unlawful activity;
- any concerns that colleagues or associated persons may be facilitating tax evasion.

### 5. HOW TO RECOGNISE AND DEAL WITH TAX EVASION ISSUES

#### 5.1 Risk Management

In order to identify and prevent tax evasion risks, regular conduct risk assessments for each of its key

business activities will be carried out. In particular, the Group will:

- provide annual training to 'at risk' colleagues on the Act and how to identify and combat tax evasion;
- regularly assess risk areas, for example tenders submitted by suppliers; and
- undertake appropriate due diligence on third parties and associated persons.

#### 5.2 Your Assistance

Notwithstanding the Group's risk management processes, employees and associated persons are relied upon to play a part in meeting all the responsibilities set out in section 4 of this Policy and thereby highlighting and reporting any concerns in accordance with section 4.4 of this Policy.

### 6. BREACHES OF THE POLICY

The Group

- will fully investigate any instances of alleged or suspected tax evasion. Any colleague who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.
- may terminate its relationship with other individuals and organisations working on its behalf if they breach this policy.
- may also report any matter to the relevant authorities, including the Director of Public Prosecutions, Serious Fraud Office, HMRC Prosecutions Office and the police.
- will provide all necessary assistance to the relevant authorities in any subsequent prosecution

The Company will take steps to monitor compliance with this Policy.

This Policy was approved by the Watches of Switzerland Group PLC Board on 26 February 2026.