



SAHARA GROUP ANTI-TAX EVASION POLICY



SAHARA GROUP

ANTI-TAX EVASION POLICY



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SAHARA GROUP ANTI-TAX EVASION POLICY

INTRODUCTION

The Board and the Executive Management have instituted all required measures that all the business dealing of any of the entities within the Sahara Group ("Sahara", or the "Group") are transparent, fair and lawfully conducted at all times in each of its operating jurisdictions and that the entities are compliant will all relevant laws (including tax laws, fiscal regimes, etc.) and regulatory requirements.

This act extends to all activities revolving around the brand "Sahara" in any jurisdiction it operates, including business activities carried on by its Staff, subsidiaries, affiliates, and others acting on its behalf.

In all these respects, the Group upholds all laws about addressing and countering tax evasion as may be set out in any taxing jurisdiction enacted fiscal and tax laws.

This Policy is integral to the Group's obligation to ensure all relevant parties (including its responsibility staff) are aware of and act accordingly with all requirements regarding tax compliance.

POLICY STATEMENT

As we are recognised and acknowledged as a multinational enterprise of reckoning, the Board and Executive Management of the Group recognise its moral, ethical, lawful and regulatory responsibilities to act in a manner that does not promote tax-evasion activities within the operations and business of any of its entities, including subsidiaries, associates, affiliates and others who may act on its behalf. Hence, it is in our DNA to always conduct our businesses in an honest, ethical, and lawfully manner, which also be *in tandem* with our Social Corporate Responsibility and Sustainability Philosophy. Thereby, adopt zero-tolerance to facilitate an act or business activities that directly or indirectly promote Tax Evasion in any taxing jurisdictions in which we have business dealing and operations.

As a result, Sahara Group is committed to acting reasonably, professionally, and with integrity, in all our business dealings and relationships in all jurisdictions; we have our footprint. Hence, the Board is committed to implementing and enforcing this Policy and Internal Control System, which counters any form of Tax Evasion or related practices.

SCOPE OF THE POLICY

This Policy applies to:

1. The Board of Directors of the Group (including that of its subsidiaries, associates, and affiliates)
2. The Executive Management (including that of its subsidiaries, associates, and affiliates)
3. The Senior Management (including that of its subsidiaries, associates, and affiliates)
4. All Staff of the Group (including that of its subsidiaries, associates, and affiliates)
5. Those saddled with the responsibilities of conducting business or related activities on behalf of the Group or in the interests of the Group (including that of its subsidiaries, associates, and affiliates)



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The Policy is wholly adopted by the Board and Executive Management of the Group. It may be subjected to future reviews, updates, amendments, total overhaul, or withdrawal at any time, as the Board exercises its discretion.

The Top Executives and Senior Management ensure line reports and others have sound knowledge, understanding and application of this Policy. They are visibly responsible for its compliance by all.

WHO ARE THOSE AFFECTED BY THIS POLICY?

This Policy applies to all Sahara Group Representatives working for Group or on our behalf Any of its Subsidiaries, Associates, Affiliates or Related Entities.

WHO ARE THOSE RESPONSIBLE FOR THIS POLICY?

The Board of Directors has overall responsibility for ensuring this Policy complies with Sahara Group's legal and ethical obligations and all those under our control (including the subsidiaries, associates, affiliates, and related parties) comply with it.

The Director for Corporate Governance and Sustainability, alongside the Group Head, Tax and Financial Controls, have the primary and day-to-day responsibility for implementing this Policy, monitoring its use and effectiveness, dealing with any queries about it, and auditing the internal control system and procedures to ensure they are effective in preventing the facilitation of Tax Evasion.

Management at all levels is responsible for ensuring those reporting to them understand and comply with this Policy and are given adequate and regular training on it.

WHAT CONSTITUTES TAX EVASION?

Tax evasion is a criminal offence which is committed through the deliberate and dishonest evasion of tax or through taking steps to enable another person to evade tax.

Tax Evasion involves the intentional misrepresentation of one's actual financial status to the tax authorities to reduce their tax liability. Examples of tax evasion include.

- a) False declaration of income, profits or gains earned.
- b) Deductions one is entitled to.
- c) Failure to render tax returns to the Relevant Tax Authority.

In its literal meaning, Tax Evasion can be seen to be a deliberate refusal to pay Tax or the underpayment of Tax. Tax evasion has been interpreted as an illegal practise where a person, organisation or corporation deliberately evades paying their authentic tax liability. Tax evasion can be defined as a deliberate practice of not declaring total taxable income to pay Tax at a reduced rate. It is an intentional violation of tax laws and is evident in instances where tax liability is fraudulently reduced.



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WHAT IS PROHIBITED AS REGARDS TAX MANAGEMENT AND ACTIVITIES WITHIN THE GROUP?

By all intent and purposes, including the spirit and letters of this Policy, it is not acceptable for anyone directly or indirectly, on behalf of the Group (including its Subsidiaries, Associates, Affiliates, and Related Parties) to:

- a) Engage in any form of facilitating Tax Evasion or Foreign Tax Evasion.
- b) Aid, abet, counsel, or procure the commission of another person's Tax Evasion offence or Foreign Tax Evasion offence.
- c) 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, following this Policy.
- d) Engage in any other activity that might lead to a breach of this Policy; or
- e) Threaten or retaliate against another individual who has refused to commit a Tax Evasion Offence or a Foreign Tax Evasion offence or raised concerns under this Policy.

RESPONSIBILITIES OF THOSE SADDLED WITH GOVERNANCE AND TAX COMPLIANCE

To all those saddled with the responsibilities of instituting, monitoring, averting or repudiating acts of tax evasion within the Group, including others that may be involved in business dealings and operational activities that may be cynical to the facilitation of tax evasion within the Group, you all MUST:

- i. Ensure you read, understand, and comply with this Policy.
- ii. Seek guidance and clarification where required or necessary.
- iii. Avoid any activity that might lead to, or suggest, a breach of this Policy.
- iv. Notify your line manager or the Director for Corporate Governance and Sustainability 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, suppose an employee asks to be paid into an offshore bank account (without good reason), or a supplier asks to be paid in cash. This will mean the payment is not subject to VAT or the equivalent Tax in any relevant taxing jurisdiction.*
- v. Prevent, detect, and report any form of tax evasion (including foreign operations or associated with foreign taxing jurisdictions) to the appropriate authority, primarily through the **Deloitte Whistle-Blowing Encrypted Platform** of the Group, which is anonymous.

WHISTLEBLOWING ON TAX-EVASION MATTERS

You are encouraged to raise concerns about any issue or suspicion of Tax Evasion or Foreign Tax Evasion at the earliest possible stage. You must immediately notify your line manager or the Group Head, Tax and Financial Controls, or Director for Corporate Governance and Sustainability, if any of the following occur, You:



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- a) Become aware of any fraudulent tax evasion by another person during the performance of your tasks.
- b) Are asked to assist another person in their fraudulent tax evasion, whether directly or indirectly.
- c) Believe or suspect that any fraudulent tax evasion has occurred or may occur.

Where anyone is uncertain about whether a particular act constitutes Tax Evasion, such a person should immediately raise it with the Group Head, Tax and Financial Controls and/or the Director for Corporate Governance and Sustainability as soon as possible.

PROTECTION FOR WHISTLE-BLOWERS

Any member of the Staff, including management staff, senior management executives or a member of the Board who may raise a concern or have reported perceived wrongdoing are wholly and ultimately protected as contained in this Policy.

Through this Policy and related Governance Policies, the Board of the Group encourages openness. It will support whoever raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.

We are committed to ensuring no one suffers any *unfavourable treatment* because of:

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

Unfavourable treatment includes *dismissal, disciplinary action, threats, or other hostile treatment(s)* connected with raising a concern. If you believe that you have suffered any such treatment, you should immediately inform the Director for Corporate Governance and Sustainability. If the matter is not remedied, and you are an employee, you should raise it formally using our **Deloitte Whistle-Blowing Encrypted Platform**.

ROLE OF GROUP TAX POLICY

Sahara Group has a Group Tax Policy which is updated periodically to provide robust and detailed guidance for business leaders, finance teams, tax managers, and the like to be informed of all fiscal and Tax requirements, knowledge of taxes and compliance issues, vis-à-vis various regulatory timelines, and related matters on tax.

The Group Tax Policy should be used *in tandem* with this Policy to be safeguarding and prevent any such activity within the businesses and operations of the Group that can facilitate any form of tax evasion or related practices.



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CONTRAVENTIONS AND BREACHES OF THIS POLICY

The breaches of this Policy by anyone will warrant the institution of disciplinary action, which could result in any of the actions by the Group as stipulated in the Section on "**Consequence and Punishment for Non-Compliance to this Policy**".

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

PRACTICAL DEMONSTRATION OF RED FLAGS

All interested parties in the business dealings and operational activities of the Group, starting from the Board up to the common staffer of the Group (including its subsidiaries, associates, affiliates, and other parties who act on behalf of the Group). These are examples as follows:

1. Fraud warning signs involve the taxpayer's income. Examples include:
 - *Failing to file tax returns*
 - *Having bank deposits that far surpass the taxpayer's reported income*
 - *Omitting or understating income*
 - *Reporting revenue less than the sum of sales transactions recorded.*
 - *Large numbers of cash deposits or deposits in excess of regulatory requirements.*
 - *Running a cash-intensive business*
 - *Extensive use of a check-cashing service*
2. Fraud warning signs involve the expenses or deductions claimed by the taxpayer. Examples include:
 - *Claiming dependents who do not exist (or who are deceased)*
 - *Claiming federal tax deductions that are "fictitious or substantially overstated."*
 - *Deducting "business" expenses that were, in fact, personal expenditures*
 - *Inventing or overstating deductions*
3. Fraud warning signs involve the taxpayer's business books and financial records. Examples include:
 - *Failing to maintain accurate books and records*
 - *Maintaining multiple, differing sets of books and records*
 - *Showing discrepancies between business books and tax returns*
4. Fraud warning signs involve the taxpayer's allocations of income. Examples include:
 - *Distributing profits to imaginary "business partners."*
5. Fraud warning signs involve the taxpayer's conduct or behaviour. Examples include:
 - *Backdating tax or other financial documents*
 - *Failing to follow a tax professional's recommendations*
 - *Lying to Tax Authorities or their agents*
 - *Taking any actions to obstruct or impede the Tax Authorities (attempts to interfere with the administration of tax laws, regulations, and practices)*
6. Fraud warning signs involve apparent efforts to conceal assets (i.e., suspicious "methods of concealment" that are likely to suggest fraud). Examples include:
 - *Engaging in any substantial transfer where there already exists a "close relationship between [the involved] parties."*
 - *Keeping false records surrounding the transfer*
 - *Using "secret bank accounts" (such as unreported foreign bank accounts)*



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CONSEQUENCE AND PUNISHMENT FOR NON-COMPLIANCE TO THIS POLICY

The Consequences of intentional disregard to the spirit and letter of this Policy may result in any or combination of the following as a deterrence to others, and this may include:

- i. *Warning letter*
- ii. *Suspension*
- iii. *Mutual Separation*
- iv. *Termination of Appointment*
- v. *Summary Dismissal*
- vi. *Facilitate Criminal Prosecution (where applicable)*

REPORTING

Sahara Group has reporting, communication and escalation protocols and channels to allow all stakeholders to highlight and escalate potential issues, concerns, and violations of its policies and values. It also has in place mechanisms and procedures for investigating such reports.

- i. If a Sahara Group Representative is under an obligation to make a report because of this Policy, they must do so with urgency.
- ii. If a Sahara Group Representative is not obliged to but wants to make a report, they are encouraged to do so with great urgency.
- iii. Sahara Group Representatives are encouraged to make reports in good faith. They must treat a
- iv. report confidentially. If it can do so, the Group will treat the information confidentially.
- v. Reports may be made in writing (including email) or verbally.
- vi. Reports are to be made at a Head of Business/Company to any persons listed. If a Sahara Group Representative does not feel comfortable reporting at the Business/Company level, they may report to the Director for Corporate Governance and Sustainability.
- vii. In conclusion, If the matter is not remedied or an employee feels uncomfortable, you should raise it formally using our ***Deloitte Whistle-Blowing Encrypted Platform***.