

Mindtree Limited

ANTI-FACILITATION OF TAX EVASION POLICY

Version 1.0 | December-2020

1. Introduction

This Anti-Facilitation of Tax Evasion Policy (the “Policy”) is designed to explain and set out Mindtree’s procedures and policies for implementing and enforcing effective systems to counter tax evasion facilitation. This Policy defines the requirements to ensure compliance with all applicable tax evasion laws in all the jurisdictions in which we operate. This policy governs all our business dealings and the conduct of all persons and organizations appointed to act on our behalf.

The objectives of this Policy is to:

- (a) Set out our responsibilities as an organization, and of those working for us, in observing and upholding our position on preventing the criminal facilitation of tax evasion; and
- (b) Provide information and guidance to those working for us on how to recognize and avoid tax evasion.

In UK, the Criminal Finances Act 2017 (which came into effect on 30 September 2017) made it a corporate criminal offence for an entity to fail to prevent the criminal facilitation of tax evasion. This policy entails the requirements of this Act also.

We request that all employees and all persons or entities who have, or seek to have, a business relationship with the Group, familiarize themselves with our anti-facilitation of tax evasion policy and ensure that they act at all times in a way which is consistent with our anti-tax evasion policy.

2. Policy statement

The Group has a **zero-tolerance** approach to all forms of tax evasion. Employees, agents, subcontractors and those acting on behalf of the Group must not undertake any transactions which:

- a) Cause the Group to commit a tax evasion offence; or
- b) Facilitate a tax evasion offence by a third party who is not an associate of the company.

The Group is committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter tax evasion facilitation.

At all times business should be conducted in a manner such that the opportunity for, and incidence of, tax evasion is prevented.



This Policy may be revised at any time. Notice of significant revisions shall be provided to employees through the Intranet Portal of Mindtree or e-mail communication and to others through an appropriate communication mechanism selected by the Office of Data Privacy.

This Policy shall be available to employees through the Intranet Portal of Mindtree at https://mindtreeonline.sharepoint.com/sites/Microsites/Finance/Policies_and_Procedures

3. Who must comply with this policy?

This policy applies to all persons working for the Group or on its behalf in any capacity, including all employees at all levels and agents, including but not limited to agency workers, contractors, interns, external consultants, third-party representative and business partners, sponsors or any other persons associated with the Group, wherever located.

All employees and agents must read and observe this policy, act with integrity and comply with applicable laws. Managers should create an environment that encourages compliance with this policy.

4. Who is responsible for this policy?

The Board of Directors of Mindtree has overall responsibility for ensuring that this policy complies with our legal and ethical obligations, and that all those under our control comply with it. Management at all levels are responsible for ensuring that those reporting to them understand and comply with this policy and are given adequate and regular training on it.

5. What is the facilitation of tax evasion?

For the purpose of this policy:

Tax evasion means an offence of cheating the public revenue or fraudulently evading tax and is a criminal offence. The offence requires an element of fraud which means that there must be deliberate action, or omission with dishonest intent. This policy applies to all types of tax evasion.

Tax evasion facilitation means being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax (including, tax in a foreign country) by another person, or aiding, abetting, counselling or procuring the commission of that offence. Tax evasion facilitation is a criminal offence where it is done deliberately and dishonestly. This policy applies to all types of tax evasion facilitation, regardless of where the individual is located at the time that the facilitation occurs.

Tax means all forms of taxation including but not limited to corporation tax, income tax, value added tax, Goods and Service tax, sales tax, stamp duty land tax, national insurance contributions and includes duty and any other form of taxation (however described).

6. Unacceptable employees' and agents' actions

It is not acceptable for employees and agents to:

- a) Engage in any form of facilitating tax evasion or
- b) Aid, abet, counsel or procure the commission of a tax evasion offence by another person; or
- c) Fail to promptly report any request or demand from any third party to facilitate the fraudulent evasion of tax by another person; or
- 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 facilitation of tax evasion offence or who has raised concerns under this policy.

7. Prevention

There is no exhaustive list of tax evasion opportunities. At a more general level, the best defense against tax evasion and the facilitation of tax evasion remains the vigilance of our employees and a common-sense approach supported by our clear whistleblowing policy. Applying common-sense includes being aware of:

- a) commercial relationship being set up outside the scope and process of standard terms and conditions;
- b) unusual payment method; and
- c) unusual relationship between the agent and the third party (usually the customer).

In relation to the risk of a connection with the fraudulent evasion of tax we are required to have reasonable and proportionate due diligence procedures in place to detect fraudulent transactions. Initially, the business should consider if any transactions it intends to enter into are “too good to be true”, as this could fail the “knew or should have known” test. This includes consideration of a wide range of factors including pricing, communication, experience and history.

8. How to raise a concern

Employees are encouraged to raise concerns about any issue or suspicion of tax evasion as soon as possible. Any queries or suspicions should be directed to:

- a) Respective Manager/ PF Manager; or
- b) Compliance team; or
- c) Tax Head; or
- d) Finance Controller; or
- e) Chief Financial Officer.

9. What happens if the employee does not want to report their suspicions for commercial reasons?

This should never happen. If there is any suspicion of any intention to evade tax and the transaction is nevertheless finalized, the Group can be criminally prosecuted, subject to a large fine and be publicly named and shamed. Having a conviction may bar the Group from operating in certain sectors or bidding for certain work.

Similarly, in relation to a connection with the fraudulent evasion of VAT/GST or any other tax may consider either a criminal or civil response. Typically, Tax authorities would seek to assess Mindtree for the VAT/GST previously recovered in relation to the fraudulent transaction chain, as well as seeking to raise a penalty against the business and/or individuals.

This could be very damaging for the Mindtree Group. If an employee does not act in accordance with this policy, the Mindtree Group will carry out appropriate disciplinary actions.

10. Monitoring and review

Each subsidiary or branch of Mindtree must establish and maintain an effective system for monitoring compliance with this policy. This will be monitored on an ongoing basis.

11. Statement of commitment

The Mindtree Group will not tolerate any form of tax evasion or its facilitation. This policy demonstrates Mindtree's no-tolerance approach to tax evasion or the facilitation of tax evasion.

12. Breaches of this policy

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct. We may terminate our relationship with other individuals and organizations working on our behalf if they breach this Policy.