



GROUP FRAUD & ECONOMIC CRIME POLICY

We will never condone, participate in, or facilitate any form of fraud or economic crime, either directly or indirectly, whether in the UK or overseas, or through any third party.

Basis

This Policy applies to all employees, officers, consultants and contractors of the Group and its Operating Companies. In addition, this Policy also applies to all agents, representatives or other third-party intermediaries providing services and retained by the Group and its Operating Companies.

Principles

We will always:

- comply with the Economic Crime and Corporate Transparency Act 2023 ('ECCTA'), Criminal Finances Act 2017, together with any local legislation, and this Policy; and
- report any knowledge or suspicion of fraud, tax evasion, economic crime, including the facilitation of the same to the Group Company Secretary, or via the Group's online 'SPEAK UP' portal, provided by Navex Global EthicsPoint at <https://hsgroup.ethicspoint.com>.

Adoption

This Policy has been adopted by the Group and will be updated or modified as appropriate.

Implementation

The Board of Hill & Smith PLC has overall responsibility for compliance with this Policy. The senior leadership teams of each Operating Company are responsible for ensuring the employees of their business understand and comply with this Policy.

The Group will provide appropriate training and undertake an annual risk assessment in respect of fraud, economic crime and the corporate criminal offences contained within the Criminal Finances Act 2017 ('CCO').

Our Commitment

We will take disciplinary action against employees who are found to have participated in or facilitated any form of fraud, tax evasion or economic crime. This may lead to dismissal or termination of employment and, if appropriate, criminal proceedings.

We will terminate business relationships with any agent or third-party representative that violates any provision of this Policy.

What is Fraud and ECCTA Offences

Fraud is a criminal offence that involves dishonestly making a false representation with the intent to gain for oneself or cause loss to another.

Listed Offences and Relevant Offences under ECCTA include, but are not limited to, fraud, fraudulent statements, embezzlement, theft, cheating the public revenue, money laundering and bribery ('Listed Offence'), fraudulent trading, fraud, cheating the public revenue, false accounting & false statements ('Relevant Offence').

An offence under ECCTA will be committed if a Group and/or Operating Company senior manager acting within their actual or apparent scope of their authority commits a Listed Offence.

An offence under ECCTA will also be committed if:

- there is a Relevant Offence by an individual or entity;
- an individual or entity of the Group or a third-party individual or entity performing services for / on behalf of the Group commits the Relevant Offence intending to benefit the Group or any person to whom services are provided on behalf of the Group; and



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- the Group/Operating Company did not have reasonable prevention procedures in place, or it was not reasonable to expect the Group/Operating Company to have prevention procedures in place.

What is Tax Evasion and Facilitating Tax Evasion

Tax evasion under the CCO is a tax related illegal action e.g., actual or attempted cheating of the public revenue or fraudulently evading tax and is a criminal offence. Tax evasion requires deliberate action or omission with dishonest intent.

Facilitation of tax evasion under the CCO is being knowingly involved in the fraudulent evasion of tax by another person or entity. This includes the aiding, abetting, counselling, or procuring the undertaking of the tax evasion. Facilitation of tax evasion is a criminal offence where it is undertaken deliberately and dishonestly.

The Group and/or its Operating Companies will be guilty of an offence under the CCO if:

- there is criminal tax evasion by an individual or entity;
- an individual or entity performing services on behalf of the Group/Operating Company has criminally facilitated that tax evasion; and/or
- the Group/Operating Company failed to prevent that individual or entity from engaging in such criminal facilitation.

Further Information

Sometimes you know what the right thing to do is but there may be an element of doubt. If you are unsure then ask and remind yourself:

- Does it comply with this Policy and the Group's Code of Business Conduct?
- Would I be embarrassed if anyone within or outside the Group/Operating Company knew about the situation or my actions?
- I cannot arrange for someone else to do something I know I am prohibited from doing.
- This Policy applies not only to employees but also to anyone providing services to the Group/Operating Companies

Violation

If you become aware of a violation you should report it either via your Managing Director, or Group Company Secretary, or report using the Group's our online 'SPEAK UP' portal, provided by Navex Global EthicsPoint at <https://hsgroup.ethicspoint.com>.

Associated Documents

- Group Code of Business Conduct
- Group Whistleblowing Policy
- Group Anti-Bribery and Corruption Policy

Other Contacts

- Your Managing Director
- Group Company Secretary Tel: +44 (0)121 704 7430
- Email: compliance@hsgroup.com
- The whistleblowing hotline: <https://hsgroup.ethicspoint.com>

Approved by the Board of Hill & Smith PLC
27 January 2026