



OneSpan

POLICY & GUIDANCE ON PREVENTING
FACILITATION OF TAX EVASION
(Anti-Facilitation of Tax Evasion Policy)

POLICY & GUIDANCE ON PREVENTING FACILITATION OF TAX EVASION

I. Policy Statement

OneSpan affirms its commitment to promote honest and ethical conduct in all its dealings, and to uphold laws that counter facilitation of tax evasion, including UK's Criminal Finances Act 2017 ('CFA UK') and similar anti-facilitation of tax evasion laws applicable in jurisdictions where OneSpan operates.

OneSpan adopts this policy as a measure to prevent any OneSpan affiliate, employees, representatives, and business partners including contractors, subcontractors, suppliers, and service providers that perform services for or on behalf of OneSpan ('Business Partners') from facilitating tax evasion, whether in the UK or elsewhere.

This policy aims:

- (1) to establish awareness of tax evasion and criminal facilitation of tax evasion; and
- (2) to set out guidance on recognising and preventing tax evasion.

This policy forms part of OneSpan's wider Anti-Fraud and Corruption Policies.

2. Guidance on Anti-Facilitation of Tax Evasion

- (1) What is tax evasion?

Tax evasion constitutes a deliberate non-payment or underpayment of a tax or any deliberate act taken for the purpose of not paying a tax knowing that the tax is due.

- (2) What is facilitation of tax evasion?

Facilitation of tax evasion occurs when a corporate entity, wherever incorporated, or a person acting for or on behalf of the corporate entity (i) takes steps deliberately to enable another person to commit tax evasion, or (ii) is involved in the commission of tax evasion.

- (3) Is tax evasion or facilitation of tax evasion a crime?

In the countries where OneSpan is present as an incorporated entity, tax evasion is considered a criminal offence. It is punishable by imprisonment, a monetary penalty, or both.

In the UK where OneSpan is present and does business, facilitation of tax evasion and failure to prevent facilitation of tax evasion are criminal offences under the CFA UK.

- (4) How does the Criminal Finances Act 2017 UK impact OneSpan?

CFA UK has extra-territorial application and sanctions any corporate entity in breach of law, regardless of where the corporate entity is incorporated.

OneSpan conducts business in the UK and must, therefore, comply with UK laws including CFA UK.

If OneSpan fails to prevent the facilitation of tax evasion by any of its employees, representatives or Business Partners in the UK or overseas, OneSpan can face criminal sanctions including an unlimited fine, exclusion from tendering for public contracts, and associated reputational damage.

(5) What does OneSpan expect from its employees, representatives and Business Partners?

All OneSpan employees, representatives and Business Partners, wherever located, are expected to commit to this policy, comply with applicable laws, and support OneSpan's anti-facilitation of tax evasion safeguards.

OneSpan employees, representatives, and Business Partners must continue to exercise due diligence and reasonable caution prior to entering into any transaction for or on behalf of OneSpan.

Suspicion of any instance of tax evasion or its facilitation must be reported according to [Section 4](#).

(6) Red flags

Potential red flags to watch out for and report according to section 4 include any event where the Business Partner or customer requests that payments be made:

- in cash (indicating that the payment will not be subject to VAT or the equivalent tax in a non-UK jurisdiction);
- to or through another entity or person;
- to an offshore bank account;
- in a currency other than as contractually agreed.

(7) Openness and Transparency

OneSpan encourages openness and will respond to any clarification on which acts constitute tax evasion and facilitation of tax evasion.

OneSpan will support anyone who raises genuine concerns in good faith under this policy and will not tolerate any detrimental treatment as a result of reporting in good faith any suspicion of an actual or potential tax evasion offence.

3. Breach of the Policy

Any breach of this policy will be investigated. A finding of breach may result in disciplinary action. A breach constituting gross misconduct or commission of a crime may result in summary dismissal of the OneSpan employee or representative involved, or termination of the relevant contract or relationship if the breach involves a Business Partner.

4. Questions and Reporting

- (1) If you would like further guidance or if you have questions about this policy, you may refer them to the Tax Sr. Director at lorna.liposky@onespan.com or to Legal & Compliance at legal@onespan.com.
- (2) Reporting, investigation and action on any violations of this policy follow the procedure prescribed in OneSpan's Code of Conduct available for review at <https://www.onespan.com/code-of-conduct>.
- (3) For Onespan employees, you are encouraged to report suspected or known violations of this policy as prescribed in the [Corporate Concern Reporting Policy](#), via:
 - Website: www.lighthouse-services.com/OneSpan
 - Telephone – see Exhibit A of the Corporate Concern Reporting Policy for calling instructions
 - E-mail: reports@lighthouse-services.com (must include OneSpan's name in the report).