

Corporate Criminal Offence Policy



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Sections 45 and 46 of the Criminal Finances Act 2017

1. Policy Statement

It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to tax evasion and are 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.

We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. However, we remain bound by UK laws, including the Criminal Finances Act 2017, in respect of our conduct both at home and abroad.

2. About this policy

The purpose of this policy is to:

- a) set out our responsibilities, and of those working for and on our behalf, in observing and upholding our position on bribery and corruption; and
- b) provide information and guidance to those working for and on our behalf on how to recognise and deal with tax evasion.

It is a criminal offence to aid tax evasion. Individuals found guilty can be punished by imprisonment and/ or a fine. As an employer, if we fail to prevent tax evasion we can face an unlimited fine, exclusion from tendering for public contracts, and damage to our reputation. We therefore take our legal responsibilities very seriously.

In this policy, third party means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties. This list is not exhaustive. There may be other parties who you come into contact with in the course of your employment, and to whom this policy will also apply.

Unless expressly stated, this policy does not form part of any employee's contract of employment and we may amend it at any time.

3. Who must comply with this policy

This policy applies to all persons working for us or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located.

4. Who is responsible for this policy

The Executive Leadership Team has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

The Chief Financial Officer has primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries about it, and auditing internal control systems and procedures to ensure they are effective in countering bribery and corruption.

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

You are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the compliance manager.

5. What is CFA and tax evasion

The Criminal Finances Act 2017 (“CFA”) was introduced in 2017, implementing two strict liability corporate offences for the failure to prevent the facilitation of UK and foreign tax evasion. The rules took effect on 30 September 2017, apply to all companies and partnerships, and carry the risk of an unlimited fine and significant reputational Corporate Criminal Offence Policy damage. Previously, if an individual evaded tax and was facilitated by the advice or actions of those in a corporation, although the individuals and individual’s directly facilitating would have committed a crime the corporate entity itself would not necessarily be liable.

The CFA introduced two new corporate criminal offences (“CCO”) so a corporation may now be prosecuted for failing to prevent the facilitation of:

- a) UK tax evasion
- b) Foreign tax evasion – covering the evasion of foreign taxes where there is some nexus with the UK and where there is dual criminality

All companies and partnerships must be able to demonstrate that they have taken reasonable measures to prevent the facilitation of tax evasion by its associated persons. Unless firms can show that they had reasonable procedures in place, or evidence why it was unnecessary for them to have done so, they may end up being guilty of a criminal offence.

6. Global application

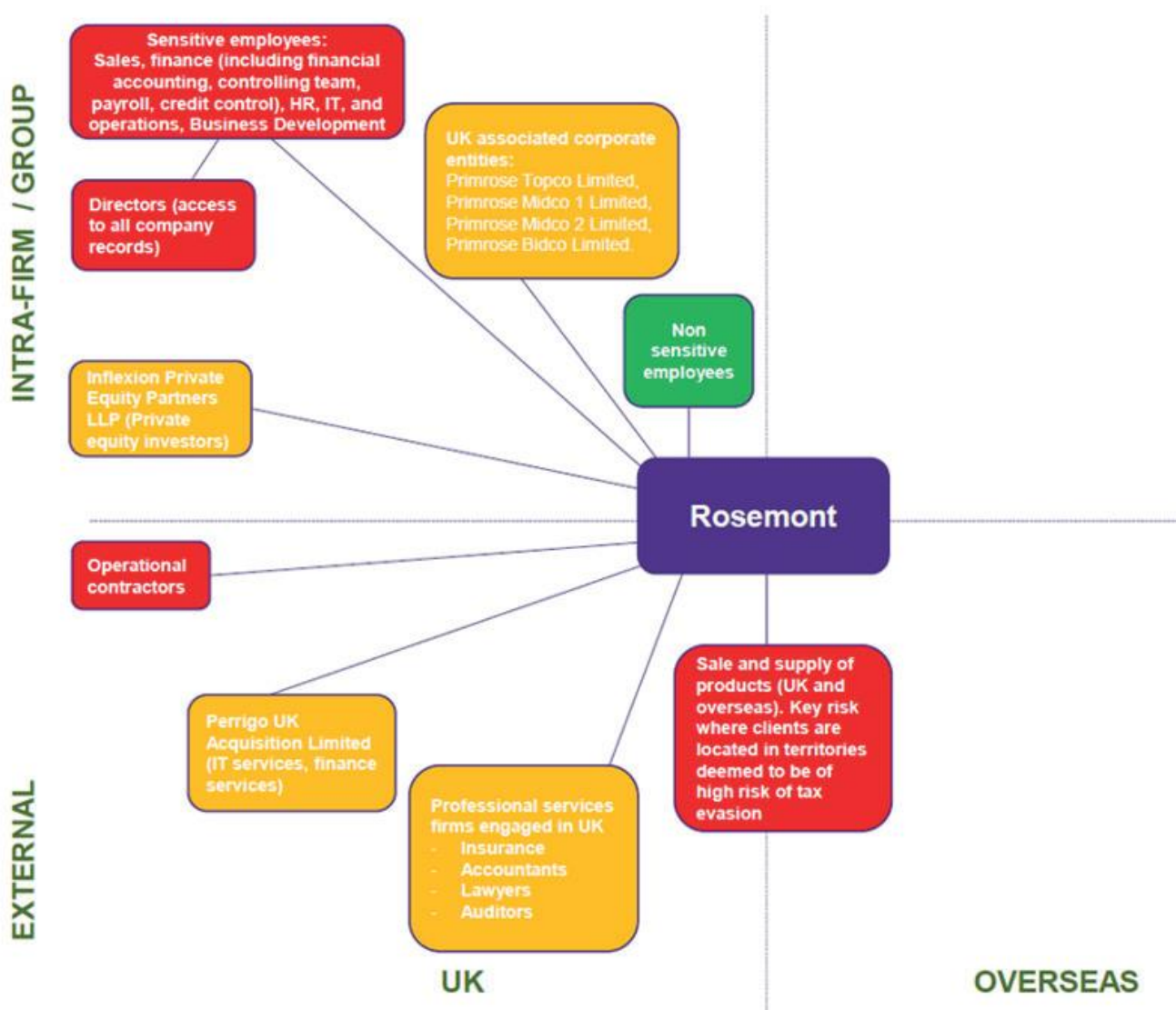
The CFA legislation is applicable to non-UK tax issues and therefore the CFA should be considered in respect of all associated parties, UK or non-UK based.

7. Associated persons

This policy covers all activities with “associated persons”.

An associated person of Rosemont is defined as an employee, agent or other person who performs services for or on behalf of the company.

This can be illustrated by the below review (October 2020) of the types of relationships Rosemont has with Associated Persons. A traffic light system has been used to give an indicative risk – Red being high, Amber medium, and Green low. This is a guide only.



8. Rosemonts Approach

Rosemont adopts the following 6 guiding principles when developing processes and systems within the business to comply with CFA:

Risk assessment

Rosemont have undertaken a risk assessment in 2020 with third party advisors, Grant Thornton UK LLP, to identify Rosemont's associated parties and potential CFA risks. Rosemont will review their risk assessment every two years or earlier if there is a material change to the business.

Proportionality of risk-based procedures

Reasonable procedures will be adopted to prevent associated persons from criminally facilitating tax evasion. These are set out below.

Top level commitment

Our zero-tolerance approach to tax evasion must be communicated to all associated parties at the outset of our business relationship with them and as appropriate thereafter.

Due diligence

Procedures will be reviewed and points arising from working with Grant Thornton will be actioned as part of a continual review and improvement.

Communication and training

Management will ensure the following:

- a) All current employees read and understand the training pack on CFA/CCO
- b) Training on this policy forms part of the induction process for all individuals who work for us, and regular training will be provided as necessary.

Rosemont will review the training every two years (or earlier if there is a material change to the business) in line with the CFA legislation.

This policy and changes thereto will be communicated via Human Resources regular bulletins.

Monitoring and review

Ongoing monitoring

Rosemont will action the points raised by Grant Thornton as the initial phase of monitoring. CFA will be considered before undertaking new business activities.

Governance policies

Rosemont take financial governance very seriously. The following policies and procedures have been adopted by Rosemont:

- a) Anti-corruption and anti-bribery Policy
- b) Processes for taking on a new customer, and requests for changes of details
- c) Processes for working with a new supplier, and requests for changes of details
- d) Reviews of patterns of sales of products by Customer Services, to highlight unusual trends.
- e) New employee and contractor processes within HR and Payroll/Finance.

Annual review of compliance

Rosemont will review this policy document annually, or where there is a material change to the business or legislation.

9. Your responsibilities

You must ensure that you read, understand and comply with this policy.

The prevention, detection and reporting of tax evasion is the responsibility of all those working for us or under our control. You are required to avoid any activity that might lead to, or suggest, a breach of this policy.

You must notify your supervisor or management, a member of the Executive Team or a member of the Human Resources Team as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future.

10. How to raise a concern

You should raise concerns about any issue or suspicion of tax evasion at the earliest possible stage.

If you become aware of tax evasion, or a “flag” of suspicious activity, you must notify your supervisor or management, a member of the Executive Team or a member of the Human Resources Team OR report it in accordance with our Whistleblowing Policy as soon as possible.

If you are unsure about whether a particular act constitutes tax evasion, raise it with your supervisor or management, a member of the Executive Team or a member of the Human Resources Team or with a director.

11. Protection

Individuals who raise concerns or report an associates wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who 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 detrimental treatment as a result of refusing to take part in tax evasion, or because of reporting in good faith their suspicion that an actual or potential tax evasion offence has taken place or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Executive Team immediately. If the matter is not remedied, and you are an employee, you should raise it formally

using our Grievance Procedure, which can be found on the Human Resources folder held within the shared drive.

12. Training and Communication

Training on this policy forms part of the induction process for all individuals who work for us, and regular training in a format deemed appropriate will be provided as necessary.

Training will be provided as deemed appropriate across the business, focused on an initial understanding, followed by continued development and learning to keep up to date with both legislative changes and current “hot areas”.

Our zero-tolerance approach to tax evasion must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

13. Breaches of this policy

Any employee who breaches this policy will face disciplinary action. This could result in dismissal for misconduct or gross misconduct.

We may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

14. Potential risk scenarios: ‘red flags’

The following is a list of possible red flags that may arise during the course of you working for us and which may raise concerns under various anti-bribery, anti-corruption and tax evasion laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If you encounter any of these red flags while working for us, you must report them promptly to your supervisor or management, a member of the Executive Team or a member of the Human Resources Team OR using the procedure set out in the whistleblowing policy:

- a) you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- b) you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a “special relationship” with foreign government officials;
- c) a third party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for us;
- d) a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- e) a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- f) a third party requests an unexpected additional fee or commission to “facilitate” a service;
- g) a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- h) a third party requests that a payment is made to “overlook” potential legal violations;

- i) a third party requests that you provide employment or some other advantage to a friend or relative;
- j) you receive an invoice from a third party that appears to be non-standard or customised;
- k) a third party insists on the use of side letters or refuses to put terms agreed in writing;
- l) you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- m) a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us;
- n) you are offered an unusually “generous” gift or offered “lavish” hospitality by a third party.

Policy: Corporate Criminal Offence			
Covering Legal Entities:	Primrose Topco and all subsidiaries		
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