



# Corporate Criminal Offence Policy

## Policy Statement

It is Group policy to conduct all business operations in an honest and ethical manner. The Group upholds all laws relevant to countering bribery and corruption in all the jurisdictions it operates. Specifically, the Group takes a zero-tolerance approach to tax evasion and the facilitation of tax evasion. In this respect the Group is bound by UK law, including the Criminal Finances Act 2017 enacted in the UK.

The Criminal Finances Act 2017 legislation has global application and therefore should be considered in respect of all associates, UK or non-UK based.

## About this policy

The purpose of this policy is to set out the Group's, and our associates, responsibilities in monitoring and upholding the laws relevant to tax evasion and the facilitation of tax evasion as outlined in The Criminal Finances Act 2017 ('CFA').

In addition, this policy will provide information and guidance to those working for and on behalf of the Group on how to recognise and deal with suspected instances of tax evasion.

In this policy, 'associates' or 'associated persons' means any person or organisation that we come into contact with during the course of our business. In the case of our business this would include Group officers, employees, agents, sub-contractors, customers, new customers, suppliers, hauliers, or other people or organisations that provide services for or on behalf of the Group.

This policy applies to all persons working for or on behalf of the Group. This includes employees at all levels, directors, officers, agents, sub-contractors, interns, business partners, sponsors or any other person or organisation associated with the Group across all jurisdictions.

The Group Executive team has overall responsibility for ensuring this policy complies with the Group's legal and ethical obligations and that all those under the control of the Group and its directors comply with it.

The Group Senior Accounting Officers have primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with queries about it, and reviewing 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 training on it.

## What is CFA and tax evasion?

CFA was introduced in 2017, implementing the corporate criminal offence of failure to prevent the facilitation of UK and foreign tax evasion.

The rules took effect on 30<sup>th</sup> September 2017 and apply to all companies and partnerships. Under the rules, if the Group fails to prevent tax evasion, we risk an unlimited fine and significant reputational damage with our customers, suppliers and other stakeholders.



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

- UK tax evasion.
- 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 demonstrate that they have taken reasonable measures to prevent the facilitation of tax evasion by its associated persons. Unless the Group can show that it had reasonable procedures in place, or evidence why it was unnecessary for it to have done so, it may end up being guilty of a criminal offence.

### **Our approach**

The Group has adopted HMRC's six guiding principles in order to comply with CFA:

#### **1. Risk Assessment**

The Group carried out an assessment of operations to determine the nature and extent of exposure to the risk of any associated persons engaging in activities that could criminally facilitate tax evasion. The assessment covers the possible risks of the facilitation of tax evasion by its employees and associates, as well as listing controls to mitigate those risks, and any actions required to improve those controls. Reasonable prevention procedures proportionate to the size, complexity and risk will be adopted. This assessment is reviewed periodically.

#### **2. Proportionality of risk-based procedures**

Reasonable procedures will be adopted to prevent associated persons from criminally facilitating tax evasion.

#### **3. Top level commitment**

The Group and its officers have a zero-tolerance approach to tax evasion, and this must be communicated to all associates of the Group at the beginning of any business relationship and as appropriate, reiterated thereafter.

This policy is available on the Group intranet.

#### **4. Due Diligence**

Due diligence procedures are in place and subject to periodic review.

#### **5. Communication and training**

Management have communicated this policy, and it is available on the Group intranet.

The Group reviews the need for any additional training required in line with the CFA legislation.



## **6. Monitoring and review**

The Group maintains an effective system for monitoring compliance procedure to ensure the Group remains committed to its zero tolerance to facilitation of tax evasion.

### **Responsibilities of Employees and other Associated Persons**

Employees at all levels and associates are reminded that they are required at all times to abide by Group policies and procedures.

You must read, understand and comply with this policy.

You should raise concerns about any suspected instance of tax evasion or other suspicious activity immediately to one of the following officers within the Group:

- Line Manager
- Functional Lead
- HR Manager

A list of possible red flags, which may raise concerns under various anti-bribery, anti-corruption and tax evasion laws, is provided in Appendix A to this policy.

Failure to comply with Group policies may result in disciplinary action for employees or associated persons up to and including termination of contract.

### **Protection**

Individuals who raise concerns or report another's wrongdoing are sometimes worried about possible repercussions. The Group encourages openness and transparency and will help support anyone who raises potential wrongdoing in good faith under this policy.

### **Throughout this policy 'The Group' comprises of the following legal entities:**

Dawn Holdings Limited, WDM 2012 Limited, Dunbia Holdings Limited, Dawn Holdings Unlimited and Dunbia (UK).



## **Appendix A**

### **Potential Risk Scenarios – ‘Red Flags’**

The following is a list of possible red flags 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 persons encounter any of these red flags while working for the Group, they must be promptly reported to line/HR managers:**

- 1.** Becoming aware that a third party engages in, or has been accused of engaging in, improper business practices;
- 2.** A third party insists on receiving a commission or fee payment before committing to sign up to a contract with the Group, or carrying out a government function or process for the Group;
- 3.** 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;
- 4.** A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- 5.** A third party requests an unexpected additional fee or commission to “facilitate” a service;
- 6.** A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- 7.** A third party requests that a payment is made to “overlook” potential legal violations;
- 8.** A third party requests that persons provide employment or some other advantage to a friend or relative;
- 9.** Becoming aware, in the course of work, that a third party working for the Group as an employee asks to be treated as a self-employed contractor, but without any material changes to their working conditions;
- 10.** Received an invoice from a third party that appears to be non- standard or customised;
- 11.** A third party insists on the use of side letters or refuses to put terms agreed in writing;
- 12.** Noticed that the Group have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- 13.** 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 the Group;
- 14.** Offered an unusually generous gift or offered lavish hospitality by a third party.