

ANTI-BRIBERY AND CORRUPTION POLICY

including Gifts and Hospitality



Introduction

It is the policy of U and I Group PLC (“U+I”) to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption in all its forms. We are committed to acting professionally, fairly and with integrity in all of our business dealings and relationships, implementing and enforcing effective systems to counter bribery and encouraging a culture of openness and accountability.

We will uphold all laws relevant to countering bribery and corruption in all of the jurisdictions in which we operate. We remain bound by the laws of the UK, including the Bribery Act 2010, in respect of our conduct both at home and abroad.

Purpose

This policy sets out what we must all do to help prevent bribery in all its forms. A bribe may include any payment, benefit or gift offered or given with the purpose of influencing a decision or outcome. The bribe may not always be of a large value. It could be lunch or invitation to a sporting event. U+I is fully committed to complying with its obligations under the Bribery Act 2010 (the Act) in ensuring no bribes or corrupt payments are made, offered, sought or obtained by anyone acting on the Company’s behalf.

The purpose of this policy is to:

- + set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption;
- + provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues; and
- + set out what the Company considers to be acceptable for the purposes of either giving or receiving gifts and hospitality.

Scope

The U+I Anti-Bribery and Corruption Policy (the Policy) is mandatory for all U+I individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, home workers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with us, or any Group Company or their employees, wherever located (collectively referred to as workers in this policy).

In this policy, third party means any individual or organisation you may 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.

Policy statement

What is bribery?

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

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Examples:

1. Offering a bribe

You offer a potential client tickets to a major sporting event, but only if they agree to do business with us.

This would be an offence as you are making the offer to gain a commercial and contractual advantage. We may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential client to accept your offer.

2. Receiving a bribe

A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in our organisation to ensure we continue to do business with them.

It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage.

3. Bribing a foreign official

You arrange for the business to pay an additional payment to a foreign official to speed up an administrative process.

The offence of bribing a foreign public official is committed as soon as the offer is made. This is because it is made to gain a business advantage for us. We may also be found to have committed an offence.

Gifts and hospitality

This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties. Staff are expected to incur expenses that are both reasonable and appropriate to the third parties involved. All expenditure, especially alcohol, should be reasonable and cost effective. Receipts with full details of attendees and a completed expenses form must be provided to your line manager and the relevant member of the finance team. Failure to provide the information in full may result in expenses not being reimbursed.

- + Internal Lunches: Lunches between internal staff should not be reclaimed as expenses.
- + Internal Gifts: U+I will not cover the cost of internal gifts without the prior consent of an Executive Director and notification being received by the Company Secretary.
- + External Gifts: U+I will not cover the cost of gifts given to external parties without the prior consent of an Executive Director. Any Executive Director wishing to make a gift to an external party should obtain the prior approval of another Executive Director and notify the Company Secretary.

Subject to the above, the giving or receipt of a gift is not prohibited if the following requirements are met:

- + it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- + it complies with local law;
- + it is given in the Company's name, not in your name;



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- + it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- + it is appropriate in the circumstances. For example, in the UK it is customary for small gifts to be given at Christmas time;
- + taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;
- + it is given openly, not secretly; and
- + gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of your Line Manager.

We appreciate that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

When giving or receiving gifts and entertainment individuals should follow the Policy guidelines below:

- **Gifts: Any gift (or number of gifts from one individual / company) exceeding a value of £150 in any one year should be declared.**
- **Entertainment by / for third parties: Any entertainment exceeding a value of £250 per head OR results in a half day or more out of the office. Pre-approval should be sought from an executive director.**
- **It is every employee's responsibility to keep a written record of all hospitality or gifts accepted or offered by them.**
- **A personal register must be maintained by every employee of all gifts and entertaining items.**

A template for the personal register can be found in the 'Office General' folder on Sharepoint. If you require any assistance locating this document please contact a member of the CoSec team.

In addition, a Central Register of Gifts and Entertainment is maintained by the Company Secretary and reviewed quarterly by the Risk Management Committee

Both registers should be administered by the employee or their PA; **however, it remains the employee's responsibility to ensure both are kept up to date.**

The policies are subject to formal and regular review. Individuals should be prepared to submit records if requested. The Central Register will be reviewed by the Risk Committee on a quarterly basis.

What is not acceptable?

It is not acceptable for you (or someone on your behalf) to:

- + give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- + give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure;
- + accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;



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- + accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
- + threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- + engage in any activity that might lead to a breach of this policy.

Facilitation payments and kickbacks

We do not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official. They are not commonly paid in the UK, but are common in some other jurisdictions.

If you are asked to make a payment on our behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with your Line Manager or the Company Secretary.

Kickbacks are typically payments made in return for a business favour or advantage. All workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us.

Donations

We do not make contributions to political parties. We only make charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made on behalf of U+I without the prior approval of an Executive Director and the Company Secretary receiving notification in advance. Any item bought without prior approval will not be reimbursed by the Company.

Your responsibilities

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

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or associated with us. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.

You must notify the Company Secretary as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. For example, if a client or potential client offers you something to gain a business advantage with us, or indicates to you that a gift or payment is required to secure their business.

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. We reserve our right to terminate our contractual relationship with other workers if they breach this policy.

What happens if you do not comply?

Bribery and corruption are punishable for individuals by up to ten years' imprisonment and if the Company is found to have taken part in corruption it could face an unlimited fine, be excluded from tendering for public contracts and face damage to its reputation. We therefore take our legal responsibilities very seriously.

For Employees: Any act of bribery, in whatever form is unacceptable. We will consider taking disciplinary action against anyone who fails to comply with the anti-bribery policy up to and including dismissal. Failure to comply with this policy may also leave you open to a criminal prosecution under the Act. An offence under the Act can result in a fine and/or up to a maximum of 10 years imprisonment.



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For U+I: A breach of this Policy by an employee or business partner could result in the Company breaching the Act. An offence under the Act can result in the business being fined and would likely lead to negative publicity and serious damage to the reputation of the U+I brand.

Record-keeping

We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

You must declare and keep a written record of all hospitality or gifts accepted or offered, which may be subject to managerial review.

You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy in force from time to time and specifically record the reason for the expenditure.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

How to raise a concern

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with the Company Secretary.

What to do if you are a victim of bribery or corruption

It is important that you tell the Company Secretary as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

Protection

Workers who refuse to accept or offer a bribe, or those who raise concerns or report another's 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 that no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption 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 Company Secretary immediately. If the matter is not remedied, and you are an employee who wishes to raise a complaint, you should raise it formally using the grievance procedure in place from time to time.

Training and communication

Training on this policy forms part of the induction process for all new workers. All existing workers will receive regular training on how to implement and adhere to this policy.

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



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Who is responsible for the policy?

The board of directors 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 Company Secretary has primary and day-to-day responsibility for implementing this policy and for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.

The policy is not contractual and U+I reserve the right to amend the policy at any time.

Approved by the Board - 16.01.20