

BRIBERY ACT CODE OF CONDUCT

Questions or concerns relating to this policy should be addressed to the Compliance Officer.

The purpose of this code of conduct is to set out the values, principles and responsibilities we adhere to and expect all of our employees, joint-venture partners, advisors, consultants, contractors, agents and other intermediaries representing us with regard to bribery and corruption. All directors and employees are required to comply with this code. This code also applies to all persons with whom we are associated from time to time such as but not limited to: agents, joint venture partners, representatives, intermediaries, consultants and contractors. Local laws, custom and practice are not to be applied to justify any departure from this code.

Compliance with this code is a requirement of your contract of employment.

Message from the Managing Director.

“Please read and understand this code of conduct. The board of directors has approved this code which sets the tone for our business. The elimination of bribery and corruption is central to our core values. We have legal commitments to uphold as well as the integrity of our business. You must comply with this code and you have my assurance that you will not suffer any adverse consequences from doing so, even if the business seems to lose out as a result.”

Andrew Percival, Managing Director

Article 1: Prohibition of Bribery and Corruption

We do not participate in any form or bribery or corruption

It is our policy to comply with all laws, rules and regulations governing bribery and corruption in all the countries in which we operate. Acts of corruption and bribery are increasingly being made illegal throughout the world and penalties for breaching those laws are severe.

We will deal with any instance of suspected bribery or corruption seriously. Any actual instance will result in disciplinary action against those involved, up to and including termination of employment or contract, and reporting of those persons to relevant regulatory and criminal authorities. We will support those authorities in any prosecution brought against those persons. We operate a zero tolerance policy toward bribery and corruption, no matter what. This policy extends to all of our business dealings and transactions in all countries in which we and/or our subsidiaries and associates operate. Local custom and practice is never a justification for departing from this policy.

You will never be penalised for compliance with these policies and procedures, even if we lose business or money as a result. If you have concerns or suspicions about anyone's conduct or instances where there may be non-compliance with these policies, it's important you report them quickly to allow those concerns and suspicions to be promptly investigated and responded to.

Each of us must take personal responsibility for abiding with this policy. This includes our most senior managers and directors. The board is taking a personal interest in these matters.

If you have such suspicions and you don't report them, you could face disciplinary action up to and including termination of your employment. It really is that serious.

We will routinely assess the risks of becoming embroiled in bribery and corrupt practices. Based on such assessments we will take action. Please be prepared for updates and adjustments to the anti-bribery programme we adopt.

Under UK law, bribery and corruption is punishable by imprisonment, fines and if the company is found to have taken part in corruption it could be excluded from tendering for Government contracts and face untold damage to its reputation.

If any instance of bribery or corruption is identified, we will take remedial and disciplinary steps immediately. For the avoidance of doubt, if bribery or corruption is established, we shall seek legal advice with a view to dismissing any employee involved and our responsibilities to refer such matters to the authorities for them to deal with under law.

Bribery and corruption is an unwelcome feature of business and public life in many countries. We encourage and support our employees to make decisions in line with our stated position on bribery and corruption.

We may drive a hard bargain when it is in our interests, but we are committed to acting professionally, fairly and with integrity. We prohibit bribery and corruption at all times and in any form, whether direct or indirect.

Bribery is the offering, promising, giving or accepting of any undue pecuniary or other advantage to or by another person such as but not limited to:

- * a public official, at national, local or international level;
- * a political party, party official or candidate; and
- * a director, officer, employee or agent of another organisation or an individual in order to obtain or retain a business or other advantage other than by legitimate and proper means.

Corruption includes solicitation of a bribe, whether or not coupled with a threat if the demand is refused.

We presume that any 'kick back' (in cash or in kind) to government officials or to employees of the other contracting party is a bribe. We presume that the engagement of intermediaries such as agents, subcontractors, consultants or other third parties, to channel payments to government officials, or to employees of the

other contracting party, their relatives, friends or business associates is a bribe. Any payment or other advantage made to any person which is not fully and properly recorded in the terms of the contract by which we do business with them shall be presumed by us to be a bribe.

No employee will suffer demotion, penalty, or other adverse consequences for refusing to pay bribes even if such refusal may result in our organisation losing business.

Personal safety

We recognise that demands for bribes to be paid may be accompanied by threats to personal safety. These should be rare, but if you are subjected to an immediate threat to your safety, you may put your personal well-being first even if this means that you make a payment that would contravene this Code. However, you must immediately report all of the circumstances of the threat and the payment to the Compliance Officer. If a threat is made but you have time to notify the Compliance Officer before making any payment to avoid the harm to your person, then you should do so.

Article 2: Scope

Every employee and every person associated with our business is covered by this Code of Conduct and our Anti-Bribery Programme

Universal application

This policy applies to all of our business units and extends to all our majority owned business dealings and transactions in all countries in which we or our subsidiaries and associates operate. This policy applies in all countries in the world regardless of local practice and custom.

This Policy applies to all staff, officers, directors, and employees (staff, contract and temporary) in our business worldwide. It applies to our agents, distributors, consultants, joint venture partners, contractors, advisors, other intermediaries and any other third parties acting on our behalf or representing us. All activities carried out on our behalf must be compliant with this policy regardless of local laws or culture.

We operate a policy of individual accountability. We are each accountable for compliance with this policy.

Agents, Distributors, Consultants and Other Third Parties

Whenever we engage or retain an agent, distributor, marketing consultant or other third party in connection with any business being sought, we will investigate to determine the reputation, beneficial ownership, professional capability and experience, financial standing and credibility of such person and the record of such person's adherence to applicable laws in our own and other countries.

Any concerns that such investigation may bring to light must be reported to our Compliance Officer.

After we engage with a third party, you have a responsibility to continue monitoring on-going activities and to report your concerns to the Compliance Officer. If you know or reasonably believe that a contravention of this Policy has been, is being or may be made you must report it to the Compliance Officer and in appropriate circumstances prevent the payment or promise of payment from occurring.

Contract procedures

Persons or entities who provide goods or services to us or on our behalf must meet our standards and abide by our policies and codes of conduct with regard to bribery and corruption or else they should expect to have their contracts terminated and we will actively seek to recover any losses we may suffer as a result.

We have developed standard form clauses for inclusion in our trading contracts dealing with bribery and corruption which, in essence, enable us to terminate contracts if bribery is established. You must use these clauses at least as a starting point in all applicable transactions.

Unless otherwise approved in writing by the Board, all contracts with agents, distributors, consultants, and other third parties, all joint venture, partnership and shareholder contracts and all contracts for the acquisition of entities or business assets, must include our standard anti-bribery clauses.

Training

You will be offered compliance training to ensure that you understand your responsibilities with regard to our zero-tolerance approach to bribery and corruption.

Disciplinary procedure

Failure to comply with this Policy will be grounds for termination or other disciplinary action.

Any questions concerning this Policy may be addressed to the Compliance Officer.

Administration of the Policy and Code

The Compliance Officer will conduct the day-to-day administration and enforcement of this Code and Policy. Our Board retains the ultimate responsibility for ensuring that we all comply with the zero-tolerance approach to bribery and corruption.

Employees, joint-venture partners, advisors, consultants, contractors, agents and other intermediaries representing us are encouraged to raise concerns about any instance of malpractice at the earliest possible stage. Our 'whistle blowing' policy may be relevant and is drawn to your attention. This policy can be found on the Intranet under the Policies Folder.

We will establish feedback procedures in order to maintain accurate records to provide assurance that we are effective in countering bribery and corruption.

Any employee or other person to whom this Policy is directed who suspects a violation of this Policy may occur, or believes that a violation has taken place, must immediately advise his or her supervisor or the Compliance Officer. Failure to so report is a disciplinary matter and will be dealt with accordingly. Disciplinary action may include the immediate termination of employment or of any business agreement or relationship.

Any form of discrimination, retribution or retaliation against anyone who has, in good faith, reported a possible violation of this Policy or refused to participate in activities that violate this Policy is prohibited and will be treated as a serious disciplinary matter.

Our board will review the implementation of this policy to test its adequacy and effectiveness from time to time and shall make improvements as appropriate.

Article 3: Responsibility

Every one of us must take individual responsibility for complying with this Code

Our board of directors will oversee the implementation and enforcement of this Policy, although the board will seek advice from professionals and delegate tasks to officers and others within our organisation as appropriate. The board will appoint a Compliance Officer.

Each employee must read, be familiar with, and strictly comply with this Policy which shall be available on-line and in hard copy via the HR function. Training on all applicable laws and regulations shall be compulsory upon joining the organisation and from time to time by way of refresher and up-date.

Laws, regulations and contractual requirements are subject to change, which could require revision to this Policy. All personnel to which this Policy is applicable shall keep themselves current with any such changes and shall comply with such changes regardless of whether or not the changes have been incorporated into any given version of this Policy.

Article 4: Raising concerns and seeking guidance

We expect you to report suspicious activity without delay and without apprehension

We know that our staff and representatives are not experts in the law and this Code is designed to help you recognise situations that might be of concern.

This Code requires you to raise your concerns promptly if you have a sense that something unethical or untoward is going on involving our business. If you try to look the other way so as to avoid being witness to bribery or corruption, you may find yourself in contravention of this Code and the law.

Failure to report a concern may result in the termination of your employment. You may do so in accordance with the Whistle blowing Procedures in order to preserve your anonymity. If you are unsure what to do or if you have doubts but do not want to get yourself or anyone else into trouble, you should notify either HR or the Compliance Officer who will consult with you on a confidential basis. It is better to notify your concerns rather than keep them to yourself. If there is an innocent explanation, then this can be established by the Compliance Officer.

If you are offered a financial or other advantage or if you suspect that someone within our organisation is or is about to offer an improper financial or other advantage, you MUST report this to the Compliance Officer without delay.

Article 5: Payments to 3rd parties

All payments made by the business must be above board, transparent and proper

No payments may be made as a subterfuge for bribery.

It is contrary to this Code to offer, promise, authorise, pay or give, either directly or indirectly, to any other person (whether a government official or not) any financial or other advantage in order to secure an improper advantage, to obtain or retain business, or direct business to any other person or entity.

We insist that:

- a) any payment made to any person, such as an agent representative or intermediary, represents no more than an appropriate remuneration for legitimate services rendered by such person;
- b) no part of any such payment is permitted to be passed on by the agent as a bribe or otherwise in contravention of this Policy;
- c) in each contract with any joint-venture partners, advisors, consultant, contractor, agent and/or other intermediary representing us, such representative must agree not to pay bribes or otherwise engage in any corrupt practice. We must reserve the right to terminate agreements with representatives if a bribe is paid or other corrupt practice undertaken;
- d) each of our business units and all joint-venture partners, advisors, consultants, contractors, agents and other intermediaries representing us must maintain an accurate record of the names, terms of employment and payments to all persons who are retained by them in connection with transactions with public bodies, state or private enterprises. This record must be made available for inspection by us and our appointed auditors on demand;
- e) no employee, joint-venture partner, advisor, consultant, contractor, agent or other intermediary representing us is permitted to engage in bribery or any form of unethical inducement or payment (including facilitation payments and 'kickbacks') and all such persons must avoid any activities that might lead to, or suggest, a conflict of interest with the business of the Company;
- f) we uphold laws relevant to countering bribery and corruption in all the jurisdictions in which we operate, particularly laws that are directly relevant to specific business practices;

- g) all agents, representatives and intermediaries must be properly vetted and due diligence undertaken on them to ascertain their fitness to represent us before we appoint them;
- h) all payments should be approved in writing by a senior person in the business (your line manager) before making the payment;
- i) receipts for payments should be obtained from the recipient;
- j) all payments must be accurately recorded through our normal accounting and financial procedures without any deception or disguise as the recipient's identity or the purpose for the payment in question.

For the avoidance of doubt, so-called facilitation payments are prohibited. We do not make Facilitation Payments (sometimes known as grease payments), of any kind. The bribery laws in other countries may not criminalise facilitation payments, but we do not condone the making of facilitation payments.

We recognise that in some parts of the world, facilitation payments may be sought in a business-as-usual fashion. We will not pay them and we will not expect to be paid them.

We insist that proper and thorough due diligence is undertaken on those with whom we do business and, in particular, any organisation which represents our interests in any capacity or which supplies goods or services to us.

In our business, we must keep and maintain accurate books and records in reasonable detail. All payments must be properly recorded in our accounts and financial records. Recording such payments in any way which would conceal their true nature or which is contrary to applicable accounting standards is not permitted.

Payments of reasonable and bona fide expenses incurred in the proper course of our business are not prohibited by this Code when they are directly related to the execution or performance of a contract or other binding obligation.

Article 6: Political and Charitable Contributions and Sponsorships

Political Donations

The company will not make any political donation now, or in the future under any circumstances.

Charitable Donations

Donations of less than £250 into a recognised charity to be authorised in advance by Line Manager.

Donations in excess of £250 to be authorised by the Compliance Officer in advance.

All charitable donations must be transparent and in accordance with applicable law. A register of all charitable donations to be maintained by the accounts department detailing:

- Date of donation

- Value of donation
- Charity
- Name of individual requesting donation
- Name of company the individual represents
- Relationship of company ie customer or supplier

Sponsorship

Sponsorship of less than £100 to be authorised by Line Manager in advance.

Sponsorship of more than £100 to be authorised by Compliance Officer in advance.

Sponsorship must be transparent and in accordance with applicable law.

A register to all sponsorship to be maintained by accounts in the same format at Charitable Donations.

If you are approached for a charitable donation, sponsorship or a political contribution (in each case, of any nature or description) you must inform those who approach you that there is an approval procedure which you are bound to follow and that you will be referring the matter to the Compliance Officer for approval before responding.

If you wish to undertake charitable works or to seek sponsorship of a personal nature from your work colleagues, please notify the Compliance Officer in advance. We will not prevent genuine fund raising of a personal nature by our employees and associates provided it is clear that this is unrelated to our business.

If you make personal contributions to charity or to political organisations or if you engage in any form of sponsorship from your own funds, please make clear to all concerned that such activity has nothing to do with our business and that you are acting in your personal capacity outside of work. You must not use any resources of the business for, or in support of your personal activities in this regard.

Article 7: Gifts, Hospitality and Expenses

We only accept or provide hospitality and gifts within pre-defined limits and never to secure any improper advantage or to influence a business decision

We recognise that to refuse hospitality can cause offence, which is not the intention of this policy, and that in the ordinary course of business; hospitality is extended and accepted without amounting to a bribe.

Gifts, hospitality, and sponsorship may only be made and/or received in compliance with this Code.

Gifts

No gifts except promotional items of nominal value can be accepted at an individual level. All gifts should normally be declined, but if received must be logged with the accounts department and either donated to charity or raffled off to all employees after agreement with the Compliance Officer.

No gifts whether cash or otherwise must be given to any third party without prior authorisation by the Compliance Officer.

Cash Gifts are prohibited.

There may be rare circumstances where declining the gift is likely to cause major offence (e.g. gifts from foreign dignitaries or religious leaders). In these circumstances the gift may be accepted and then donated to charity (with a record noted in the Register).

We recognise that you may receive unsolicited token gifts from marketing departments from time to time, such as calendars at Christmas. You should consider the impact of displaying or using these items on third parties who may understand the same to reflect a loyalty to one supplier.

Corporate Hospitality

It is recognised that corporate hospitality is undertaken in the ordinary course of business and does not ordinarily constitute a bribe.

The acceptance of corporate hospitality (other than refreshments offered in meeting at business premises) must be authorised in advance by your line manager where the anticipated costs of the function is between £100-£200 per head. All hospitality functions where the expected cost is in excess of £200 must be authorised in advance by the Compliance Officer. The business/person offering the hospitality must be in attendance at the event. Corporate hospitality must only be accepted where it is ethically, morally, socially and politically 'correct'. Nothing should be accepted that brings you, your colleagues or our business into disrepute. If hospitality has as its outset or purpose or attempt to a business advantage or influence a decision eg by creating a sense of obligation then it must be declined.

A detailed log of all hospitality received must be maintained and submitted to the Accounts Department once a month as detailed in the Forms Section on the Intranet.

Where you are responsible for relationships with customers and suppliers to our business, you may entertain people for bona fide purposes only. The value of such hospitality must be reasonable and proportionate. Lavish entertainment is not permitted. Ordinary hospitality to meet customers, network with customers and improve relationships is unlikely to be a problem, but please be aware that extraordinary hospitality might be unlawful and contrary to this Code and the law.

Hospitality offered to individuals costing less than £100 per head does not require prior authorisation.

Hospitality given to customers costing between £100-£200 per head must be authorised by your line manager.

Hospitality in excess of £200 per head must be authorised in advance by the Compliance Officer.

Where hospitality is provided Mayflex personnel must be in attendance.

All hospitality provided must be recorded each month on the form detailed in the Forms Section of the Intranet and submitted to the Accounts Department on a monthly basis. Any hospitality costing less than £20 per head, need not be disclosed on this form.

Hospitality may be offered to employees, third parties and their children where appropriate provided all attendees at the event are treated in a similar manner and Mayflex attendees are also accompanied by similar.

In normal circumstances hospitality will be offered in the Country where the business resides. Overseas entertainment may be appropriate, but in all cases must be authorised by the Compliance Officer in advance.

Similar rules per head apply to corporate events and in this case a log will be maintained by the Marketing Department for each financial year and held on the S Drive.

If you offer or provide hospitality and you suspect that it has been misconstrued by the recipient as an inducement, you must report this to the Compliance Officer and appropriate steps must be taken to correct this misapprehension. You should make allowance for the possibility that acceptance of hospitality by the intended recipient is contrary to the recipients own rules and policies. You should, therefore, explain to the recipient that it is perfectly acceptable to refuse your offer of hospitality and that, should the recipient prefer, attendance at an event you are running is open for acceptance on the basis that the recipient pays for himself/herself.

Hospitality in all cases must be reasonable in value, should be offered or accepted in good faith only in connection with our business and should be lawful under applicable local law. Hospitality should be proportionate to the business portion of the event. The frequency of hospitality should be carefully monitored, as the cumulative effect of frequent hospitality may give rise to the appearance of impropriety. Hospitality must not be offered or provided in return for any favour or benefit or to influence improperly any official decision.

The test to be applied in all circumstances is whether the giving or receiving of any gift or entertainment is reasonable and justifiable. If the intention or effect of any gift or entertainment or other hospitality might create a real or perceived influence upon any person, then further guidance must be sought from the compliance officer before the giving or accepting of the same.

Under no circumstances may gifts, hospitality or entertainment be offered to or accepted from any person with whom we are in a competitive tender scenario (i.e. a contract is being awarded and we are bidding for or awarding that contract.) Any form of gift or corporate hospitality offered by a tenderer participating in a competitive procurement exercise should be declined and the offer reported to the person in charge of such procurement process.

The offer or acceptance of gifts, hospitality or expenses must be limited to reasonable and bona fide expenditures, and must not improperly affect the outcome of any procurement or other business transaction or be capable of being reasonably construed as improperly affecting such outcome.

Care must be taken when giving or being offered entertainment, gifts or hospitality from persons with whom there is no prior business relationship.

All gifts, hospitality and entertainment offered to a foreign public official (no matter the value) must be approved in writing by the Compliance Officer in advance.

You are not (nor are members of your family) permitted to receive 'personal' direct sponsorship from third parties with whom we are in business.

As a general rule, we do not pay for third parties' travel or other expenses. If there is a legitimate reason to depart from this rule, you must obtain prior written approval from the Compliance Officer. Travel expenses offered to third parties should be reasonable in amount, should be offered in good faith only in connection with our business and should be lawful under applicable local law. Reimbursement of expenses requires reasonable proof of payment (e.g. a receipt) and wherever possible should be made directly to the service provider (for example, an airline) or the foreign government or agency involved and not to an individual. Expenses should not go beyond what is reasonably necessary for the business purpose; for example, lavish accommodations, and expenses for spouses and children or side trips are prohibited.

Article 8: Due diligence

We only do business with people we have checked out

Before doing business with any 3rd party, you must check them out. We need to know that they are who they say they are. We need to know that they are not secretly representing somebody not disclosed to us. We need to know that they share our commitment to stamping out bribery. If you need guidance on this to fulfill your role, please see the Compliance Officer.

Article 9: Financial Recording and Auditing

All financial transactions must be properly and fairly recorded

We comply with standard accounting practices and policies. We are required to make and keep books, records and accounts, which, in reasonable detail, accurately and fairly reflect the business we transact, and our assets and liabilities. Accordingly, however immaterial, payments or gifts must be accurately recorded in our accounts.

All financial transactions must be properly and fairly recorded in appropriate books of account available for inspection by boards of directors, if applicable, or a corresponding body, as well as auditors.

It is your responsibility to ensure that the payment made by this organisation to any third party is not a bribe and that each receiver is the proper and bona fide recipient of the payment in question.

There must be no “off the books” or secret accounts, nor may any documents be issued which do not properly and fairly record the transactions to which they relate.

We operate independent systems of auditing, through external auditors, so as to identify any transactions which contravene this Policy.

We comply with all laws and regulations, including those prohibiting the deduction of any form of bribe payment from taxable income.

No attempt to disguise the sources of illegally obtained funds is permitted. Any attempt to do so is a disciplinary matter and dismissal is a possible outcome.

Article 10: Confidential reporting of concerns (whistle blowing)

You must report suspicious activity. You will not be penalised after you do so.

We are committed to conducting our business with honesty and integrity, and we expect all staff to maintain high standards. However, all organisations face the risk of things going wrong from time to time, or of unknowingly harbouring illegal or unethical conduct. A culture of openness and accountability is essential in order to prevent such situations occurring or to address them when they do occur.

The aims of this policy are:

- (1) To encourage staff to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be respected.
- (2) To provide staff with guidance as to how to raise those concerns.
- (3) To reassure staff that they should be able to raise genuine concerns in good faith without fear of reprisals, even if they turn out to be mistaken.

This policy does not form part of any employee's contract of employment and it may be amended at any time. For details of the Whistle blowing policy, see our policies section on the Intranet.

This policy should not be used for complaints relating to your own personal circumstances, such as the way you have been treated at work. In those cases you should use our Grievance Procedure.

If you are uncertain whether something is within the scope of this policy you should seek advice from HR Officer.