



## **ANTI CORRUPTION, BRIBERY AND ETHICS POLICY**

### **1. POLICY STATEMENT**

- 1.1. It is the policy of The AFE Group Limited to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption 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 bribery.
- 1.2. We will uphold all laws relevant to countering bribery and corruption in all countries in which we operate. However, we remain bound by the laws of the UK, including the Bribery Act 2010, in respect of our conduct both at home and abroad.
- 1.3. The purpose of this policy is to:
  - a) Set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption; and
  - b) Provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.
- 1.4. In this policy, third party/parties 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.
- 1.5. This policy should be read in conjunction with the AFE Group Ltd Code of Conduct and AFE Group Ltd Ethical Trading Policy as displayed on the AFE Group Ltd Website / Intranet and AFE Group guidelines relating to expense claims.

### **2. WHO IS COVERED BY THE POLICY?**

This policy applies to all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term, agency or temporary), consultants, contractors agents, sponsors, any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as workers in this policy).

### **3. 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.

**Examples:****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.

**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.

**Bribing a foreign official**

You arrange for the business to pay an additional payment to a foreign official to speed up an administrative process such as clearing our goods through customs. The offence of bribing a foreign public official has been 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.

Examples of potential risk scenario's are detailed in Appendix 1

**4. GIFTS AND HOSPITALITY**

**4.1.** This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties. However all offers of hospitality, with the exception of mid-day lunch or an evening meal, from third parties including suppliers, customers or other business associates must be agreed in advance (in writing) with your senior manager. See Section 9 for notification procedures. All entertaining must be clearly identified on the relevant expenses form and in line with the AFE Group Ltd expenses policy.

**4.2.** Where gifts are received they will be deemed to be a gift to the company and as such will be placed in a raffle or similar event, so that such gifts will either be available to any employee or may be donated to charity.

**4.3.** Any use of the company's third parties, including contractors, suppliers, customers or other associated businesses to carry out work in respect of private property or assets must be declared and agreed in advance with the business unit senior manager.

**4.4.** The giving or receipt of gifts is not prohibited, if the following requirements are met:

- a) 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 exchange for favours or benefits;
- b) it complies with local law;
- c) it is given in our name, not in your name;
- d) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- e) taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;
- f) it is given openly, not secretly; and
- g) gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the Group Finance Director.

Gifts given / received, with the exception of those of de minimis value, should be recorded as noted in Section 9

**4.5.** 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 and authorised by the senior manager.

## **5. WHAT IS NOT ACCEPTABLE?**

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

- a) 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;
- b) 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;
- c) 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;
- d) threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- e) engage in any activity that might lead to a breach of this policy.

If in doubt regarding what constitutes an acceptable gift or hospitality consult your senior manager.

## **6. FACILITATION PAYMENTS AND KICKBACKS**

**6.1.** 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.

- 6.2.** If you are asked to make any other form of 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 business unit senior manager or the Group Internal Audit Manager.
- 6.3.** 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.

## **7. 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 without the prior approval of your business unit senior manager.

## **8. YOUR RESPONSIBILITIES**

- 8.1.** You must ensure that you read, understand and comply with this policy.
- 8.2.** The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or under our control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 8.3.** You must notify your business unit senior manager, or the AFE Group Ltd 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. Alternatively details may be reported on the AFE Group's Whistleblowing facility.
- 8.4.** 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.

## **9. RECORD-KEEPING**

- 9.1.** We must ensure that accurate books, records and financial reports are maintained within the AFE Group's business units and for significant business partners working on our behalf. Books, records and financial reporting must be transparent and accurately reflect each of the underlying transactions.
- 9.2.** Each business unit will maintain a register of all hospitality, gifts or donations accepted or offered, which will be subject to managerial and internal audit review. It is your responsibility to ensure that any hospitality, gifts or donations (given or received) are entered into this register.

Where the amount of the hospitality, gift or donation offered or received is in excess of £250 a separate authorisation must be agreed with the business unit senior manager, and subsequently entered onto the register. It is the responsibility for the AFE business unit Finance Director to maintain the register.

- 9.3.** You must ensure all expense claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with this policy and the AFE Group guidelines on expenses.
- 9.4.** 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.

## **10. 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 your business unit senior manager or the AFE Group Ltd Company Secretary. Alternatively you can voice your concerns by following the procedure set out in our Whistleblowing Policy.

## **11. WHAT TO DO IF YOU ARE A VICTIM OF BRIBERY OR CORRUPTION**

Procedures, as noted in section 10, should be followed 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.

## **12. PROTECTION**

- 12.1.** 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.
- 12.2.** We are committed to ensuring 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 the 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 AFE Group Company Secretary immediately. Alternatively you can use the contact details contained within the Whistleblowing Policy. If the matter is not remedied, and you are an employee, you should raise it formally using your business unit Grievance Procedure.

## **13. TRAINING AND COMMUNICATION**

- 13.1.** Training on this policy should form part of the induction process for all new workers. All existing workers will receive regular, relevant training on how to implement and adhere to this policy.
- 13.2.** Our zero-tolerance approach to bribery and corruption must be communicated to all third parties including suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

#### **14. WHO IS RESPONSIBLE FOR THE POLICY?**

- 14.1.** 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.
- 14.2.** The AFE Group Chief Executive Officer and Company Secretary have 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.

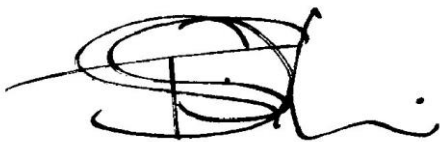
#### **15. MONITORING AND REVIEW**

- 15.1.** The AFE Group Company Secretary will monitor the effectiveness and regularly review the implementation of and adherence to this policy, considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.
- 15.2.** All workers are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.
- 15.3.** Workers 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 AFE Group Company Secretary
- 15.4.** This policy does not form part of any employee's contract of employment and it may be amended at any time.

#### **16. CONTACTS**

**The AFE Group Ltd Company Secretary**  
**Bryggen Road, North Lynn Industrial Estate, Kings Lynn Norfolk, PE31 6PN**  
Tel. +44 (0)1553 817585

Email: [info@theafegroup.com](mailto:info@theafegroup.com)



**Tim Smith**  
**Chief Executive Officer**  
**AFE Group Ltd**

## *Appendix 1. - Potential Risk Scenarios*

The following is a list of potential risk scenarios that may arise during the course of you working for us and which may raise concerns under various anti-bribery and anti-corruption 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 business unit senior manager or the AFE Group Company Secretary or follow the procedures set out in the AFE Group 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.

I have read and understood the Anti Corruption, Bribery and Ethics Policy. I agree to comply with all the stated instructions.

NAME (print) \_\_\_\_\_

SIGNATURE \_\_\_\_\_

DATED \_\_\_\_\_