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# **ANNINGTON LIMITED**

## **Anti-Bribery and Corruption Policy**

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## DOCUMENT VERSION CONTROL

### Anti-Bribery and Corruption Policy

<b>Document Title</b>	Anti-Bribery and Corruption Policy
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<b>Approved By:</b>	The Board of Annington Limited
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## DOCUMENT HISTORY

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Nick Vaughan	1.0	Anti-Bribery and Corruption Policy		27 Jul 2017
Holly Miller	1.1	Substitution of Charmaine Griffith as HR contact. Inclusion of NV and CB contact information and removal of NGA Advice Line from 10.3 and reference to MoorePay removed. 10.4 'good faith' removed to accord with legislation.		Change Date: 21.05.19
Sarah Jury and Holly Miller	1.2	Minor amendments taking in Eversheds Sutherland comments		

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## 1. **Policy Statement**

1.1 The Annington Group of companies (“Annington”) is fully aware of the damage and risks of bribery and corruption and the difficulties that it causes to both the public and to business. Bribery and corruption distorts competition and investment, hinders free and fair trade, and represents an unacceptable cost to business.

1.2 Annington is committed to the prevention, detection and investigation of all forms of bribery and corruption, whether these are attempted from within or outside the organisation. Annington does not tolerate any form of bribery or corruption and requires all individuals and organisations or Third Parties associated with it to act at all times honestly and with integrity. Annington’s expectation on propriety and accountability is that Employees and Third Parties associated with it at all levels will lead by example. Annington will not tolerate any Employee or Third Party being involved in any type or level of bribery. Employees and Third Parties are required to report any circumstances or suspicion of circumstances which are in breach of this policy immediately (see Section 9 below). All reported incidences of actual or suspected bribery or corruption will be promptly and thoroughly investigated and dealt with appropriately.

## 2. **Application of this Policy**

2.1 This policy applies to all Employees of Annington and Third Parties performing duties for or on behalf of Annington, whether or not directly employed by Annington. This policy extends to all Annington operations.

2.2 This Anti-Bribery and Corruption Policy should be read in conjunction with Annington’s:

2.2.1 Gifts and Hospitality Policy;

2.2.2 Whistleblowing Policy;

2.2.3 Conflicts of Interest Policy;

2.2.4 Anti-Money Laundering Policy; and

2.2.5 Employee Handbook,

which together set out Annington’s expectations of you as an Employee. Annington expects all of its Employees to comply with the Employee Handbook and all of its policies.

2.3 Annington also expects all of its Employees and Third Parties to comply with the ethics and standards associated with any professional body to which they may belong.

2.4 Management is responsible for ensuring that their employees are aware of the Employee Handbook and all other Annington policies, and that the requirements set out therein are being met.

## 3. **Definitions**

**Bribe/Bribery:** This includes (whether directly or indirectly):

- Offering, promising or giving anything of value to improperly influence another in order to obtain or retain business for Annington; or
- Requesting, soliciting or accepting anything of value as a reward for or as an inducement to act improperly in relation to the awarding of business by Annington.

Bribes can include money (including facilitation (or “grease”) payments), gifts, hospitality, entertainment, expenses, reciprocal favours, political or charitable contributions, or any direct or indirect benefit or consideration.

**Corruption:** Includes bribery in any form, extortion, fraud, deception, collusion, cartels, abuse of power, embezzlement, trading in influence and money laundering.

**Employee/Employees:** All workers performing duties on behalf of Annington, whether or not employed directly by Annington.

**Third Party/Parties:** Include agents, brokers, partners, consultants, contractors, suppliers, joint venture partners and other representatives performing work or offering services on behalf of, or for the benefit of, Annington.

**Government Officials:** Includes officials of any government department or agency; officials of any public international organisation (e.g. the United Nations); political parties and party leaders; candidates for public office; executives and employees of government-owned or government-run companies (such as an employee in a state-controlled company); anyone acting on behalf of any of these officials; an individual holding a legislative, administrative or judicial position.

**Red Flag:** Anything which gives rise to an increased risk or suspicion of Bribery or Corruption, including the examples set out in Appendix 1 to this policy.

#### 4. **Bribery and Corruption**

4.1 Annington’s business is vulnerable to Bribery and Corruption for a number of reasons: Annington works closely with Government Officials, and is involved in the development of projects which include complex transaction chains, the purchase of large volumes of materials and workmanship. Such large scale procurement of goods and services and the appointment of contractors and suppliers as Third Parties provides the risk for potential Bribery and Corruption to arise.

4.2 It is illegal to pay or receive, offer, promise or request, a Bribe whether directly or indirectly. There is no need for the Bribe to be successful to be viewed as corrupt, the offering of it is enough to amount to a criminal offence. It does not matter whether the person who is improperly performing their function or activity is the same person who receives the Bribe. It does not matter whether the Bribe relates to dealings with the public or private sectors, Bribery of private business people is illegal.

## 5. **Gifts, Hospitality, Entertainment and Travel Expenses**

- 5.1 Providing gifts, hospitality and/or travel to Third Parties and receiving them from Third Parties is sometimes appropriate in the normal course of business. However, gifts, hospitality and/or travel must not be given or received in order to unfairly influence business decisions or to influence the improper performance of any function.
- 5.2 Under no circumstances may cash or cash equivalents be given or accepted from any Third Party.
- 5.3 Gift, hospitality and entertainment may never be given to Government Officials.
- 5.4 All business gifts, hospitality and business entertainment must comply with Annington's Gifts and Hospitality Policy, a copy of which can be requested from Human Resources.

## 6. **Political and Charitable Donations**

- 6.1 Annington does not make any political donations.
- 6.2 Annington only makes charitable donations which are legal and ethical.
- 6.3 Charitable donations are permissible provided the donation is not made for the personal, financial, or political benefit of any Government Official, or any customer/supplier/Third Party (or their families). Donations must not be made to improperly influence the recipient or in exchange for any business advantage.
- 6.4 Prior approval from the Charitable Committee must be obtained before requesting or authorising any charitable donations on behalf of Annington.
- 6.5 Please see Annington's Gifts and Hospitality Policy for further details, a copy of which can be a copy of which can be requested from Human Resources.

## 7. **Third Party Payments, Use of Agents and Due Diligence**

- 7.1 You must not make a payment to a Third Party if you know or suspect that the person may use or offer all or a portion of the payment directly or indirectly as a Bribe.
- 7.2 It is your responsibility to ensure that Third Parties engaged on behalf of Annington are legitimate service providers. Before engaging any such party you are required to assess the risk associated with the Third Party and undertake appropriate due diligence checks commensurate with the level of risk including the completion of a pre-contract enquiries checklist and provision of details of the nature of the proposed project or transaction. All paperwork and records documenting the due diligence checks should be retained. For further information on Annington's record keeping procedures, please see the Data Protection Policy a copy of which can be requested from Human Resources.
- 7.3 If you are in any doubt whatsoever about the legitimacy of a proposed Third Party where you believe the Third Party to present a higher risk, or when any relevant Red Flags are present,

you must discuss your concerns with the Anti-Bribery Officer prior to entering into any arrangements with the Third Party.

7.4 All Third Parties will be provided with a copy of this Anti-Bribery and Corruption Policy as part of their contractual arrangements, and will be required to provide written agreement that they will comply with its terms.

## 8. **Anti-Bribery Training**

8.1 All Employees including casual, temporary and agency employees are required to undergo training on a regular basis to ensure they are aware of the types of Bribery, the risks of engaging in Bribery, Annington's Anti-Bribery and Corruption Policy, and how they may report suspected Bribery.

8.2 It is a senior manager's responsibility to ensure that all Employees in their department are adequately trained to carry out their duties and are aware of their responsibilities for reporting suspicions of potential Bribery and Corruption. Employees who ignore or refuse to complete the anti-Bribery training may face possible disciplinary action.

8.3 In some circumstances, Third Parties will also be required to undergo, or certify that they have completed, appropriate anti-Bribery training.

## 9. **Recordkeeping**

9.1 All payments made or received by Annington must be accurately recorded in Annington's books and records. All financial transactions must be authorised by appropriate management in accordance with internal control procedures.

9.2 All due diligence documents and information must also be retained by Annington for up to 5 years.

## 10. **Obligation to Report**

10.1 Employees and Third Parties are required to notify Annington as soon as they believe that there may have been breaches of this Anti-Bribery and Corruption Policy, relevant law, or related improper behaviour by any Employees or Third Parties.

10.2 You should raise any concerns of suspected or actual Bribery verbally or via email to your line manager, in the first instance. Alternatively, you can raise any issues (including concerns relating to Red Flags) with a Director or with the Anti-Bribery Officer.

10.3 Annington encourages you to speak in confidence to Human Resources or leave a message regarding your concerns. You may choose to leave a message anonymously if you wish.

10.4 All matters will be dealt with in confidence and in strict accordance with the terms of the Public Interest Disclosure Act 1998, which protects the legitimate personal interests of Employees. Annington is committed to ensuring no-one suffers any detrimental treatment as a result of refusing to take part in Bribery or Corruption (including payment of a facilitation payment) or

because of reporting their suspicion that a breach of this Anti-Bribery and Corruption Policy has or may take place.

10.5 For further information on confidential reporting, please see Annington's Whistleblowing Policy, which can be requested from Human Resources. Further details are also contained in the Employee Handbook, which can also be requested from Human Resources.

## 11. **Consequences for Breach of Anti-Bribery and Corruption Laws**

11.1 Bribery is a criminal offence under the UK Bribery Act 2010 (the "Bribery Act").

11.2 **Consequences for individuals:** A person who gives or receives a bribe, regardless of whether this is in the UK or overseas, can be imprisoned for up to 10 years and/or face an unlimited fine. Directors may also be disqualified. You could also be subject to disciplinary action, up to and including dismissal from the company.

11.3 **Consequences for Annington:** Annington can also be held criminally responsible for the corrupt acts of Employees and Third Parties. Consequences may include the company facing an unlimited fine, damage to the corporate brand and reputation of Annington, debarment from bidding for government contracts, loss of business, legal action by competitors, litigation and substantial investigation time and expense.

11.4 In addition, under certain circumstances the directors and senior officers of Annington can be held personally liable for the breaches committed by Employees and Third Parties and face significant fines and/or imprisonment.

## 12. **Enforcement and Discipline**

12.1 Annington views Bribery and Corruption very seriously. Annington will investigate all allegations of Bribery or Corruption and take legal and/or disciplinary action in all cases where it is considered appropriate.

12.2 Any reports received by Annington will be reported to the Board of Directors. The Board will formally decide whether to proceed with an internal investigation and the form of such an investigation.

12.3 A breach of this Anti-Bribery and Corruption Policy may result in an Employee facing disciplinary action, including dismissal in addition to the consequences set out in paragraph 11.2 above. Where a case is referred to the police or other law enforcement agency, Annington will co-operate fully with any criminal investigation which could lead to the Employee being prosecuted.

12.4 In all cases where Annington has suffered a financial loss, it reserves the right to seek recovery in full, along with any costs incurred in pursuing this payment. The decision to take further action such as civil proceedings or criminal prosecution will rest with the Board on the recommendation the investigating officer.

12.5 Any investigation will be managed by an investigation committee that will be established for such purpose and will include the Anti-Bribery Officer and/or the Chief Executive Officer and/or

any other investigative officer deemed appropriate, who will report to the Board on a regular basis.

**13. Responsibility for Monitoring and Review**

13.1 Annington has in place a clear network of systems and procedures to assist in the prevention of Corruption which is reviewed on a regular basis to ensure that it remain effective in the prevention and detection of Corruption. Each Executive Director and Senior Manager is responsible for the implementation of controls to prevent and detect Corruption within their departments.

13.2 The Anti-Bribery Officer has overall responsibility on the executive team for Bribery and Corruption matters. It shall be the responsibility of the Anti-Bribery Officer to review this policy and its implementation every two years to ensure it continues to comply with relevant anti-Bribery and Corruption laws. The Anti-Bribery Officer will monitor compliance with this Policy.

13.3 If you want to ask a question about the requirements in this policy or are concerned that an anti-Bribery breach is occurring or has occurred, you should report it immediately to the Anti-Bribery Officer.