

ANTI-BRIBERY/ANTI-CORRUPTION POLICY

Introduction

Muntons plc (the “Company”) values its reputation for ethical behaviour and for financial probity and reliability. It is our policy to conduct business in an honest and ethical way, without the use of corrupt practices or acts of bribery to obtain an unfair advantage.

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.

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

UK law makes it illegal to bribe foreign public or private officials or office-holders. Any UK national or company can be prosecuted in the UK for this crime - even if no part of the offence took place in the UK. We will uphold all laws relevant to countering bribery and corruption in all jurisdictions in which we operate. However we remain bound by UK law, including the Bribery Act 2010, in respect of our conduct both at home and abroad.

We recognise that over and above the commission of any crime, any involvement in bribery will also reflect adversely on our image and reputation. Any directors, officers or employees violating this policy will lead to 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.

We also recognise that market practices vary across the territories in which we do business and what is normal and acceptable in one place may not be in another. Our aim therefore is to limit exposure to bribery by:

- Setting out a clear anti-bribery policy and our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption;
- Encouraging employees to be vigilant and to report any suspicion of bribery.
- Provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.
- Rigorously investigating instances of alleged bribery and assisting the police and other appropriate authorities in any resultant prosecution;
- Taking firm and vigorous action against any individual(s) involved in bribery.

In this policy, **third party** 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.

The Policy

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

The Company prohibits the offering, the giving, the solicitation or the acceptance of any bribe, whether cash or other inducement to or from any person or company, wherever they are situated and whether they are a public official or body or private person or company by any individual employee, agent or other person or body acting on the Company's behalf in order to:-

- gain any commercial, contractual or regulatory advantage for the Company in a way which is unethical or
- gain any personal advantage, pecuniary or otherwise, for the individual or anyone connected with the individual.

Guidelines

This policy is not meant to prohibit the following practices providing they are customary in a particular market, are proportionate and reasonable with the potential business or actual business carried out and are properly recorded. The intention behind the gift should always be considered:

- normal and appropriate hospitality
- the giving of standard promotional gifts at any time or a ceremonial gift on a festival or at another special time
- the use of any recognised fast-track process which is available to all on payment of a fee
- awards/prizes to reward top performing Sales Managers within Distribution Companies or Agents at annual Agent/Distributor conferences

In addition the following requirements must always be met when giving or receiving a permitted gift:

- 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 our name, not in your name
- 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 a Company Director

Circumstances which are **never** permissible for either you or someone on your behalf include:-

- giving, or promising 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
- giving or promising to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure
- accepting payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them
- accepting 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
- threatening or retaliating against another worker who has refused to commit a bribery offence or who has raised concerns under this policy
- engaging in any activity that might lead to a breach of this policy
- giving a quid pro quo (offered for something in return)
- gifts in the form of cash/or cash equivalent vouchers
- entertainment of a sexual or similarly inappropriate nature

Inevitably, decisions as to what is acceptable may not always be easy. If anyone is in doubt as to whether a potential act constitutes bribery, the matter should be referred to their line manager/director before proceeding. If necessary, guidance should also be sought from a Company Director.

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 in which we operate.

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 the compliance manager/director of the Company.

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 without the prior approval of the compliance manager.

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 will 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 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.

Employee Responsibility

The prevention, detection and reporting of bribery is the responsibility of all employees throughout the Company. All suspected or actual instances of non-compliance with this policy (whether or not based on personal knowledge) must be reported at the earliest possible stage together with all pertinent information to assist in any internal investigation of the relevant circumstances. This can be done confidentially via the whistle-blowing provisions laid out in the Staff Handbook.

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 under our control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.

You must notify your line manager / director 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. Further "red flags" that may indicate bribery or corruption are set out in the Schedule.

WHAT TO DO IF YOU ARE A VICTIM OF BRIBERY OR CORRUPTION

It is important that you tell your line manager/director 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 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 your line manager/director immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure, which is laid out in the Company's Handbook.

TRAINING AND COMMUNICATION

Training on this policy forms 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.

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

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 compliance manager 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.

MONITORING AND REVIEW

The compliance manager will monitor the effectiveness and review the implementation of this policy, regularly 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.

All workers are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.

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 compliance manager.

This policy does not form part of any employee's contract of employment and it may be amended at any time.

THE SCHEDULE

POTENTIAL RISK SCENARIOS: "RED FLAGS"

The following is a list of possible red flags 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 line manager/director or using the procedure set out in the whistle-blowing policy laid out in the Staff Handbook:

- you become aware that a third party engages in, or has been accused of engaging in, improper business practices
- 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
- 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
- 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
- a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business
- a third party requests an unexpected additional fee or commission to "facilitate" a service
- a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services
- a third party requests that a payment is made to "overlook" potential legal violations
- a third party requests that you provide employment or some other advantage to a friend or relative
- you receive an invoice from a third party that appears to be non-standard or customised
- a third party insists on the use of side letters or refuses to put terms agreed in writing
- you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided
- 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
- you are offered an unusually generous gift or offered lavish hospitality by a third party.