

ANTI-BRIBERY & CORRUPTION (ABC) POLICY

APPROVAL CONTROL

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| Donna Knight | Chief Financial Officer | 1.10.2015 |
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OBJECTIVE

The objective of the Anti-Bribery and Corruption Policy (ABC) is to outline Huntswood CTC Ltd's ("the Company") position on preventing and prohibiting bribery, in accordance with the Bribery Act 2010.

APPLICABILITY

This Policy applies to all permanent employees, temporary employees, fixed term contract employees, consultants, contractors, agents and subsidiaries acting for, or on behalf of the Company ("Huntswood representatives").

SCOPE OF POLICY

The Company is committed to the highest standards of ethical conduct and integrity in its business activities and will not tolerate any form of bribery by, or of, its employees, agents or consultants or any person or body acting on its behalf.

The Company's Directors are committed to implementing effective measures to prevent, monitor and eliminate bribery.

Every representative acting for or on behalf of the Company is responsible for maintaining the highest standards of business conduct. Any breach of this Policy will constitute a disciplinary, contractual and possibly a criminal matter for the individual concerned and may cause serious damage to the reputation and standing of the Company.

The Company may also face criminal liability for unlawful actions taken by its representative under the Bribery Act. All representatives are required to familiarise themselves and comply with this policy, including any future updates that may be issued from time to time by the Company.

BRIBERY ACT

The Company is committed to complying with the Bribery Act in its business activities.

Under the Bribery Act, a bribe is a financial or other type of advantage that is offered or requested with the:

Intention of inducing or rewarding improper performance of a function or activity; and

- Knowledge or belief that accepting such a reward would constitute the improper performance of such a function or activity.

Corruption is typically bribery involving persons in or connected to public office. For the purposes of this Policy, bribery includes any and all aspects of corruption also.

A bribery offence can occur regardless of the fact that the bribe was given, offered, received or requested in or out of work time.

A criminal offence will be committed under the Bribery Act if:

- A representative acting for, or on behalf of, the Company offers, promises, gives, requests, receives or agrees to receive a bribe; or

- A representative acting for, or on behalf of, the Company offers, promises or gives a bribe to a foreign public official with the intention of influencing that official in the performance of his/her duties (where local law does not allow such influence); and

The Company does not have the defence that it has adequate procedures in place to prevent bribery by its representatives.

POLICY PRINCIPLES

1. WHAT IS PROHIBITED?

- 1.1. The Company prohibits representatives from offering, promising, giving, soliciting or accepting any bribe. The bribe might be cash, a gift or other inducement to, or from, any person situated in the UK or overseas.

The bribe might be made to ensure that a person or the Company improperly performs duties or functions (for example, by not acting impartially or in good faith or in accordance with their position of trust) to gain any commercial, contractual or regulatory advantage for the Company in either obtaining or maintaining Company business, or to gain any personal advantage, financial or otherwise, for the individual or anyone connected with the individual.

- 1.2. Facilitation payments are illegal under UK law. A facilitation payment is a payment which is made to expedite or secure the performance of a routine non-discretionary action, such as processing papers, issuing permits, and other actions by a person which they are already bound to perform. Facilitation payments are expressly prohibited and any request for such a payment should be reported immediately to the Chief Technology and Risk Officer.
- 1.3. Political contributions are inappropriate and accordingly prohibited when intended to influence or obtain a business advantage from a Government Official or related party for yourself, the Company or on a Client's behalf.

2. DOCUMENTATION

- 2.1. Representatives are required to take particular care to ensure that all Company documentation is accurately maintained in relation to any contracts or business activities, including financial invoices and all payment transactions with clients, suppliers and public officials.
- 2.2. Due diligence should be undertaken prior to entering into any contract, arrangement or relationship with a potential supplier of services, agent, consultant or representative in accordance with the Company's risk management framework.

3. CORPORATE ENTERTAINMENT, GIFTS, HOSPITALITY AND PROMOTIONAL EXPENDITURE

3.1. Principle

The Company permits corporate entertainment, gifts, hospitality and promotional expenditure where it is undertaken:

- For the purpose of maintaining good business relationships;
- To improve the image and reputation of the Company; or

- To present the Company's staff and services effectively.

Provided that it is:

- Arranged in good faith, and
- Not offered, promised or accepted to secure an improper advantage for the Company or any of its employees or associated persons or to influence the impartiality of the recipient.

The Company will authorise only reasonable, appropriate and proportionate entertainment and promotional expenditure.

This principle applies to all representatives.

3.2. Hospitality/corporate entertainment events

Hospitality/corporate entertainment events where clients/potential clients are to be invited must take into account:

- The scope of the event and whether it is solely hospitality or whether there is an element of business discussion – the latter would not be hospitality
- The frequency of the invitations to individuals – these should be kept to a minimum and a risk assessment undertaken and documented
- The cost assessment should consider entry to an event as well as the hospitality at the event

The Chief Commercial Officer will be responsible for reviewing the invite list and risk assessment and escalating any potential issues to the Exec Directors to ensure that all risks of bribery or perceived bribery are considered prior to the issuing of invitations to corporate events, for example, The Company organised lunch/dinner for clients, invitations to rugby tournaments or charity dinners.

3.3. Charitable donations

Charitable donations by the Company will be managed through the Corporate Sponsorship request process which is managed by the CSR Steering Group. The CSR Policy provides further detail (which can be found on the Vault).

PROCEDURE FOR THE GIVING AND RECEIVING OF GIFTS AND HOSPITALITY

Procedure for the giving of gifts / hospitality

Employees and, where relevant, representatives wishing to provide gifts, corporate entertaining or hospitality (including marketing events and raffle prizes) to suppliers, clients or other business contacts should complete the 'DECLARATION OF GIFT / HOSPITALITY PROVIDED' form available on the Vault well in advance of proposed dates to gifts@huntswood.com. **All gifts** must be approved in this way; however, where the cost of the hospitality or entertainment is less than £100 per individual there is no requirement to complete the declaration unless it is part of a series to the same individual.

Employees are required to set out in writing the:

- date the gift / hospitality is to be given or received;
- description of the gift / hospitality and objective of why it is being given;
- the reason why the gift or hospitality is being given;
- name(s) of the recipient / attendees and their company or organisation; and

- value of gift / hospitality;
- the potential risk related to giving the gift/hospitality should be considered and recorded. For marketing hospitality/corporate entertainment events the risk assessment should consider each of the individuals/companies being invited and be documented.

The Company will approve gifts, corporate entertainment and hospitality proposals only if they demonstrate a clear business objective and are appropriate for the nature of the business relationship.

The Company will not approve gifts, corporate entertainment and hospitality proposals where it considers that a conflict of interest may arise or where it could be perceived that undue influence or a particular business benefit was being sought, for example, prior to a tendering exercise.

Employees and, where applicable, representatives must supply records and receipts, in accordance with the Company's expenses policy.

Procedure for the receiving of gifts / hospitality

Any gifts of ANY value and entertainment or hospitality received to the value of more than £100 or where there is a series of entertainment/hospitality within a rolling 3 month period amounting to more than this amount from clients, public officials, suppliers or other business contacts should be declared by completing the 'DECLARATION OF RECEIPT OF GIFT / HOSPITALITY' form available on the Vault and passed immediately to gifts@huntswood.com.

In certain circumstances, it may not be appropriate to retain such gifts and employees and representatives may be asked to return the gifts to the sender or for the items to be donated to charity, for example, where there could be a real or perceived conflict of interest. Any declined gifts, rewards, entertainment or hospitality (both offered and received) should be logged on the gifts and hospitality register.

What practices are permitted?

This policy does not prohibit:

- Normal and appropriate hospitality, entertainment with clients and
- The use of any recognised fast-track process that is publicly available on payment of a fee.

Any such practices must be proportionate, reasonable and made in good faith. **Clear records must be kept.**

Gifts or hospitality between employees of the Company are not included in this policy and are not prohibited.

Records maintenance

The Financial Controller will be responsible for collating and maintaining a log of all gifts and hospitality received and given.

The Head of Risk will be responsible for undertaking a monthly review of the log with the Exec Directors to identify any trends or concerns and will report these to the Risk and Audit Committee as appropriate.

RISK MANAGEMENT

Principle

The Company has a detailed risk management framework which can be found on The Vault. All Company managers are asked to conduct regular risk assessments. This includes identification of employees or functions within the Company who are in positions where they may be exposed to or vulnerable to bribery.

Procedure

The Company managers will identify high risk areas, for example tenders for work and those working in high-value projects, and ownership and management actions for the specific risks identified will be defined, agreed and implemented. As an example, The Company's financial controls ensure that all payments (or funding requests) for third parties have been through an appropriate financial review and approval prior to their sanction.

The Company will:

- Regularly monitor "at risk" employees and associated persons;
- Regularly communicate with "at risk" employees and associated persons;
- Undertake extensive due diligence of third parties and associated persons; and
- Communicate its zero-tolerance approach to bribery to third parties, including actual and prospective customers, suppliers and joint-venture partners.

REPORTING SUSPECTED BRIBERY

Principle

The Company depends on its representatives to ensure that the highest standards of ethical conduct are maintained in all its business dealings. Representatives are requested to assist the Company and to remain vigilant in preventing, detecting and reporting bribery and are encouraged to report any concerns that they may have to the Head of HR or gifts@huntswood.com as soon as possible.

You should also familiarise yourself with the Company's Whistleblowing Policy which is available on the Vault.

Issues that should be reported include:

- Any suspected or actual attempts at bribery;
- Concerns that other representatives may be being bribed; or
- Concerns that other representatives may be bribing third parties, such as potential / actual clients or any government officials.

Procedure

If an employee suspects any incidents of bribery they should notify the Chief Technology and Risk Officer or gifts@huntswood.com and any such reports will be thoroughly and promptly investigated in the strictest confidence. Representatives will be required to assist in any investigation into possible or suspected bribery.

Representatives who report instances of actual or suspected bribery in good faith will be supported by the Company.

The Company will ensure that the individual is not subjected to detrimental treatment as a consequence of his/her report.

An instruction to cover up wrongdoing is itself a disciplinary or contractual matter. If told not to raise or pursue any concern, even by a person in authority such as a manager, you should not agree to remain silent.

BREACH OF POLICY

The Company will fully investigate any instances of alleged or suspected bribery. Employees suspected of bribery may be suspended from their duties while an investigation is being carried out. The Company will invoke its disciplinary procedures where any employee is suspected of bribery, and proven allegations may result in a finding of gross misconduct and immediate dismissal. The Company may terminate the contracts of any representatives including consultants or other workers who act for, or on behalf of, the Company who are found to have breached this policy.

The Company may also report any matter to the relevant law enforcement or regulatory authorities. The Company will provide all necessary assistance to the relevant authorities in any applicable investigation.

Upon detection of a bribery and corruption event detailed root cause analysis will be undertaken in line with the Incident Management Policy.

REVIEW OF PROCEDURES AND TRAINING

The Company will regularly communicate its ABC measures to representatives. The Company will set-up training sessions where applicable.

The Head of Risk will monitor and review the implementation of this policy and related procedures on a regular basis, including reviews of internal financial systems, expenses, corporate hospitality, gifts and entertainment policies.

AUDIT

As part of the Company's commitment to ISO 27001 – 2013 (Information Security), annual audits will be undertaken by the Internal Audit function. These audits will include reviews of all controls within this policy and reports on findings and recommendations will be issued to The Board and Risk & Audit Committee as appropriate.

TABLE OF DEFINITIONS

The table of definitions provides definitions of terms used within the policy document

| TERM | DEFINITION |
|--------------------------|--|
| Huntswood Representative | Permanent, temporary and fixed term employees, consultants, contractors, agents and subsidiaries acting for, or on behalf of The Company |

POLICY RESPONSIBILITIES

The following table defines the business roles and their responsibilities in regard of the policy document.

| RESPONSIBILITY | ROLE | DEFINITION |
|-----------------|-----------------------------------|---|
| Owner | Chief Financial Officer | Ensures the policy is reviewed and maintained on a regular basis |
| Reviewer | Chief Technology and Risk Officer | Ensures the policy document aligns with relevant legislation and company requirements |
| Author | Head of Infrastructure | Shall update the policy document in a succinct time frame on receiving updates from the reviewer and in accordance with company policy writing guidelines |
| Policy Audience | Huntswood Representative | Must apply the business policy to the business they undertake on behalf of the Company |

APPLICABLE STANDARDS AND LEGISLATION

- Bribery Act 2010
- Criminal Finances Act
- Corporate Criminal Offences Act

REFERENCE MATERIALS

- Incident Management Policy