

BRIBERY and ANTI-CORRUPTION POLICY

Introduction

Axter Ltd (the Company) is committed to the highest standards of ethical conduct and integrity in all its business activities. This policy outlines the Company's position on preventing and prohibiting bribery, in accordance with the Bribery Act 2010.

The Company will not tolerate any form of bribery and corruption by, or of, its employees, customers, suppliers or any person or body acting on its behalf. Our directors and senior management team are committed to implementing effective measures to prevent, monitor and eliminate bribery and to upholding all laws relevant to countering bribery and corruption, including the Bribery Act 2010, in respect of our business.

Scope of this policy

All employees and associated persons are required to comply with this policy, in accordance with the Bribery Act 2010. This policy applies to all employees and officers of the Company, and to temporary workers, customers, suppliers, contractors, agents and subsidiaries ("associated persons") acting for, or on behalf of, the Company within the UK and any relevant overseas business activity. Every employee and associated person acting for, or on behalf of, the Company is responsible for maintaining the highest standards of business conduct. Any breach of this policy is likely to result in disciplinary proceedings up to and including dismissal and may be classed as 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 employees or associated persons under the Bribery Act 2010. All employees and associated persons are required to be familiar with and to comply with this policy, including any future updates that may be issued from time to time.

This policy covers:

- the main areas of liability under the Bribery Act 2010;
- the responsibilities of all employees and associated persons acting for, or on behalf of, the Company; and
- the consequences of any breaches of this policy.

The Bribery Act 2010

The Company is committed to complying with the Bribery Act 2010 in all its business activities.

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage; or with the knowledge or belief that accepting such a reward would constitute the improper performance of such a function or activity.

A function or activity includes public or business activities or any activity performed in the course of a person's employment, or on behalf of another organisation or individual, where the person performing that activity is expected to perform it in good faith, impartially, or in accordance with a position of trust.

A criminal offence will be committed under the Bribery Act 2010 if:

- an employee or associated person acting for, or on behalf of, the Company offers, promises, gives, requests, receives or agrees to receive bribes; or
- an employee or associated person 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 their duties (where local law does not permit or require such influence); and
- the Company does not have the defence that it has adequate procedures in place to prevent bribery by its employees or associated persons.

What is prohibited?

The Company prohibits employees or associated persons from offering, promising, giving, soliciting or accepting any bribe. The bribe might be cash, a gift or other inducement to, or from, any person or organisation, whether a public or government official, official of a state-controlled industry, political party or a private person or organisation, regardless of whether the employee or associated person is situated in the UK or overseas.

The bribe might be made to ensure that a person or organisation 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.

This prohibition also applies to indirect contributions, payments or gifts made in any manner as an inducement or reward for improper performance, for example through contractors or sub-contractors, advisors, customers, suppliers or other third parties.

Records

Employees and, where applicable, associated persons, are required to take particular care to ensure that all Company records are accurately maintained in relation to any contracts or business activities, including invoices and all payment transactions with clients, suppliers and public officials.

Due diligence should be undertaken by employees and associated persons prior to entering into any contract, arrangement or relationship with a potential supplier of services, agent, consultant or representative.

Employees and associated persons are required to keep accurate, detailed and up-to-date records of all corporate hospitality, entertainment or gifts accepted or offered.

Corporate entertainment, gifts, hospitality and promotional expenditure

The Company permits normal and appropriate corporate entertainment, gifts, hospitality and promotional expenditure given and received to or from third parties:

- for the purpose of establishing or maintaining good business relationships;
- to improve the image and reputation of the organisation; or

- to present the organisation's goods or services effectively;

Gifts, hospitality and promotional expenditure are not prohibited if the following requirements are met:

- they are arranged in good faith;
- they are 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 and benefits;
- they comply with local law;
- they are given in the Company's name, not in the employee's name;
- they do not include cash or a cash equivalent (save as in the usual course of business).
- they are appropriate for the circumstances.
- taking into account the reason for the gift it is of an appropriate type and value and given at an appropriate time; and
- it is given openly, not secretly.
- not offered, promised or accepted to secure an 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 in line with agreed levels.

Employees and, where relevant, associated persons should submit any requests for proposed hospitality and promotional expenditure well in advance of proposed dates to their senior manager or director who is responsible for authorising any gifts or hospitality invitations.

Employees must set out in writing:

- the objective of the proposed client entertainment or expenditure;
- the identity of those who will be attending;
- the organisation that they represent; and
- details of the proposed activity.

The Company will approve requests only if they demonstrate a clear business objective and are appropriate for the nature of the business relationship. The Company will not approve business entertainment 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).

Any gifts, rewards or entertainment received or offered from customers, public officials, suppliers or other business contacts should be reported immediately to a line manager, director or HR officer. In certain circumstances, it may not be appropriate to retain such gifts or be provided with the entertainment and employees and associated persons may be asked to return the gifts to the sender or refuse the entertainment, for example where there could be a real or perceived conflict of interest. As a general rule, small tokens of appreciation, such as flowers or wine, may be retained by employees up to the value of £50 per gift or £200 worth of gifts from the same third party in any one year.

If an employee or associated person wishes to provide gifts to suppliers, customers or other business contacts, prior written approval from a senior manager or director must be obtained, together with details of the intended recipients, reasons for the gift and business objective. These will be authorised in limited circumstances and will be subject to agreed caps per recipient.

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

Employee Responsibilities

All employees must ensure that they read, understand and comply with this policy and that they complete mandatory bribery and anti-corruption training provided by the Company annually. The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Company or under its control.

All employees are required to avoid any activity that might lead to, or suggest, a breach of this policy.

Employees must notify the Managing Director as soon as possible if they 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 something to gain a business advantage with the Company or indicates that a gift or payment is required to secure their business.

Employees must declare all hospitality or gifts accepted or offered, as a written record is kept by the Company which will be subject to managerial review.

Employees must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with the Company's expenses policy and specifically record the reason for the expenditure.

Charitable and local community donations

The Company considers that charitable giving and local community support can form part of its wider commitment and responsibility to supporting the community projects and ventures. The Company supports a number of charities that are selected in accordance with objective criteria. The Company may also support fundraising events involving employees. Only nominated causes or community projects are permitted to receive donations or support and employees must first seek permission before committing to, or undertaking, any financial donations or Company sponsored events.

Reporting suspected bribery

Employees and associated persons are encouraged to report any concerns or suspicions that they may have of malpractice to a senior manager, director or HR officer immediately. If they are unsure whether a particular act constitutes bribery or corruption, or if have any other queries, these should be raised with the Managing Director. Concerns should be reported by following the procedure set out in the Company's Whistleblowing Policy.

It is important that employees inform the Managing Director as soon as possible if they are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that they are a victim of another form of unlawful activity. They should also report concerns that other employees or associated persons may be being bribed or that other employees or associated persons may be bribing third parties.

Protection

Employees who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. The Company aims 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.

The Company is 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 an employee believes that they have suffered any such treatment, they should inform a senior manager or director immediately. If the matter is not remedied, the employee should raise it formally using the Company's Grievance Procedure.

When an individual reports suspected instances of bribery, the Company will process any personal data collected in accordance with its data protection policy.

Action by the Company

The Company will fully investigate any instances of alleged or suspected bribery. Employees suspected of bribery may be suspended from their duties while the 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 summary dismissal. The Company may terminate the contracts of any associated persons, including consultants, suppliers or other workers who act for, or on behalf of, a Company who are found to have breached this policy.

The Company may also report any matter to the relevant authorities, including the Director of Public Prosecutions, Serious Fraud Office, Revenue and Customs Prosecutions Office and the police. The Company will provide all necessary assistance to the relevant authorities in any subsequent prosecution.

Review of procedures and training

The Company will regularly communicate its anti-bribery measures to employees and associated persons and 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.

The Company reserves the right to amend and update this policy as required. This policy does not form part of employees' contracts of employment.

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