

ANTI-BRIBERY AND CORRUPTION (AND GIFTS AND HOSPITALITY) POLICY

VERSION: 8
February 2023

This policy must be read and understood by all employees

Name of document	Anti-Bribery and Corruption (and Gifts and Hospitality) Policy	Frequency of review	Once every 1-2 years
Author	Legal Team	Last reviewed	Feb 2023
Owner	Legal Team and ESG Committee	Next review	Jan 2024-2025
Created	23 June 2011		

1. POLICY STATEMENT

1.1 It is our policy 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 to implementing and enforcing effective systems to counter bribery and corruption.

1.2 We will uphold all applicable laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. However, we remain bound by UK laws, including the Bribery Act 2010, in respect of our conduct both at home and abroad. Given the stringent requirements of the UK's Bribery Act 2010, we work towards its standard across all of our businesses.

2. ABOUT THIS POLICY

2.1 The purpose of this policy is to:

- (a) set out our responsibilities, and the responsibilities of those working for us and on our behalf, in observing and upholding our position on bribery and corruption; and
- (b) provide information and guidance to those working for us and on our behalf on how to recognise and deal with bribery and corruption issues.

2.2 It is a criminal offence to offer, promise, give, request, or accept a bribe. Individuals found guilty can be punished by **up to ten years' imprisonment and/or a fine**. As an employer, if we fail to prevent bribery, we can also face an **unlimited fine, exclusion from tendering for public contracts and damage to our reputation**. We therefore take our legal responsibilities very seriously.

2.3 This policy does not form part of any employee's contract of employment and we may amend it at any time.

3. WHO IS COVERED BY THE POLICY?

3.1 This policy applies to WSH and all of its subsidiaries.

3.2 The policy also applies to all individuals working at all levels and grades of WSH and its subsidiaries, 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.

3.3 In this policy, **third party** means any individual or organisation who 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.

4. WHAT IS BRIBERY AND CORRUPTION?

4.1 Bribery is offering, promising, giving or accepting a financial or other advantage to encourage the recipient of that advantage to perform their role improperly or to reward the recipient for having already done so.

4.2 The advantage does not have to involve cash or an actual payment exchanging hands. It can take many forms - such as a gift, lavish treatment during a business trip, tickets to an event, discounts, the award of a contract or anything else of value.

4.3 A person acts improperly where they act illegally, unethically, or contrary to an expectation of good faith or impartiality, or where they abuse a position of trust.

4.4 Corruption is the abuse of entrusted power or position for private gain.

4.5 In simple terms, it is an offence to:

(a) Give a bribe: It is an offence for you to offer, promise or give a financial or other advantage to a third party, where that advantage is intended to induce that third party to perform their functions or activities improperly, or reward them for improper performance.

(b) Receive a bribe: It is an offence for you to request or accept a financial or other advantage if it is intended that, as a result of receiving that advantage, you will perform your functions or activities improperly.

(c) Bribe a foreign public official: It is an offence for you to offer or provide a financial or other advantage to a foreign public official with the intention of obtaining or retaining business or an advantage in the conduct of business.

(d) The "Corporate Offence": An offence will be committed by our business if any of the bribery offences described above are committed by a person "associated" with us (i.e. anyone performing services on our behalf), with the intention of obtaining or retaining business or an advantage in the conduct of business for us. However, it is a defence if we can show that we had in place "adequate procedures" designed to prevent persons associated with us from committing acts of bribery.

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 "facilitation" payment to a foreign official to speed up an administrative process.

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.

4.6 Beyond bribery and corruption being offences under law, they also remain major issues in global trade and business, despite the many dedicated efforts to prevent them. They are very damaging to the societies and businesses in which they occur. They:

- (a) divert money and resources from those who need them most;
- (b) impede economic and social development;
- (c) harm businesses, not least by increasing the costs of goods and services; and
- (d) create inefficiencies, uncertainty and delay.

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 with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- (b) give or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;
- (c) 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;
- (d) accept a payment, gift or hospitality from a third party if you know or suspect that it is offered or provided with the expectation that a business advantage will be provided by us in return;
- (e) accept gifts or hospitality from a third party that is unduly lavish or extravagant under the circumstances;

- (f) threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this policy; or
- (g) engage in any activity that might lead to a breach of this policy.

6. GIFTS AND HOSPITALITY

6.1 This policy does not prohibit reasonable and appropriate gifts or hospitality given to and received from third parties, as long as they are proportionate. For example, gifts and hospitality given or received for the purposes of establishing or maintaining a good business relationship, which are reasonable and appropriate in the circumstances, are acceptable.

6.2 When considering whether gifts and hospitality are reasonable and appropriate, care should also be taken to consider whether any other gifts and/or hospitality have been given to or received from the third party across the business. If so, consider whether the most recent gift and/or hospitality is reasonable and appropriate in this context.

6.3 Be aware that bribery and corruption is an area where perception can sometimes have greater consequence than fact. Even where a gift or hospitality has been offered or accepted with purely innocent intentions, if an external observer could interpret that gift or hospitality negatively, it puts the business, as well as the individual giving or receiving the gift and/or hospitality, at risk.

6.4 Any gifts or hospitality not complying with this policy, or which you consider suspicious, must be refused. **The giving or receiving of a gift or hospitality is not prohibited only if all of 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 explicit or implicit exchange for favours or benefits; and
- (b) it complies with UK and local law; and
- (c) it is given or received in our name, not in your name; and
- (d) it does not include cash or a cash equivalent (such as gift certificates or vouchers); and
- (e) it is appropriate in the circumstances taking into account the reason for the gift, its timing and value. For example, in the UK it is customary for small gifts to be given at Christmas time; and
- (f) it is given openly, not secretly; and
- (g) it is not offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of your manager; and
- (h) **in all the circumstances it is reasonable, justifiable and proportionate.**

6.5 We appreciate that the practice of giving business gifts and hospitality varies between countries and regions and what may be normal and acceptable in one region may not be in another. The intention behind it should always be considered.

6.6 Always consider the following when considering whether the gift and/or hospitality is reasonable, justifiable and proportionate:

- (a) Do you know or suspect the intention behind the gift is to influence someone to act improperly?
- (b) Does the gift seem excessive in the circumstances?
- (c) Could the gift reasonably be perceived to be corrupt?
- (d) Do the law of the country or territory and/or the regulations of the recipient not allow this sort of gift and/or hospitality?

6.7 **Whenever any gift or hospitality worth £50 or more (€50 or more if you are based in Europe) is given to or received from a third party, you must declare it by completing our Gifts and Hospitality Declaration Form, which can be found on Sharepoint here: [Gifts and Hospitality Declaration Form](#).**

- (a) The form must be completed **prior to** giving or receiving the gift and/or hospitality. Where this isn't possible, the form must be completed as soon as possible afterwards.
- (b) If you intend to give or receive gifts and/or hospitality but are not able to access the form, inform your line manager who should be able to access the form and fill it in on your behalf.
- (c) Where the gift or hospitality was a group item, include in the form an estimate of **both** (i) the per person cost of the gift or hospitality, and (ii) the total cost of the gift or hospitality.
- (d) Once submitted, the form will be subject to line manager review. **You must not accept or provide any gift or hospitality which has not been approved.**
- (e) All gifts and hospitality declared are recorded on a log which is reviewed annually by the Legal Team.

Examples:

You have treated a client to weekly dinners valued at over £250 each, over the three months prior to the client starting a tender process.

Whilst keeping in touch with clients can be part of building a good working relationship, regular and expensive gifts and/or hospitality may, when considered in the aggregate, be disproportionate, especially where there is potential that it is deemed to be trying to influence the client's decisions in order to obtain a business advantage.

A supplier gifts a member of the supply chain team a Rolex as a Christmas gift.

Whilst a gift during the holidays may be customary, a Rolex is likely to be disproportionately extravagant.

An employee secretly sends a gift card to the client worth £1,000.

Gift cards are a cash equivalent and should not be given or received as gifts. Giving the gift card in secret and the value of the gift card also mean that this would likely not be appropriate.

7. FACILITATION PAYMENTS AND KICKBACKS

7.1 We do not make, and will not accept, facilitation payments or "kickbacks" of any kind.

7.2 Facilitation payments (also known as "grease payments" or "back-handers") are typically small, unofficial payments made to secure or expedite a routine or necessary action (typically by a government official). They are not common in the UK but are common in some other jurisdictions.

7.3 Kickbacks are typically payments made in return for a business favour or advantage.

7.4 You must avoid any activity that might lead to that a facilitation payment or kickback being made or accepted by us (or on our behalf) and/or any suggestion that any such payment will be made or accepted. 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 services provided. You should always ask for a written 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 manager or your Finance Director as soon as possible.

8. DONATIONS

8.1 We do not make contributions to political parties.

8.2 We only make charitable donations that are legal and ethical under local laws and practices. Donations may only be made by a board member, or with board member approval, or through one of our charitable foundations.

9. RECORD-KEEPING

9.1 We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

9.2 You must ensure all expenses claims relating to hospitality, gifts or payments to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure. You must also declare all gifts and hospitality worth £50 (or €50) or more given to or received from a third party on our Gifts and Hospitality Declaration Form (see paragraph 6 for more details).

9.3 All accounts, invoices, 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. YOUR RESPONSIBILITIES

10.1 You must ensure that you read, understand and comply with this policy.

10.2 If you are a location manager or an office manager, you must also ensure that the WSH Anti-Bribery and Corruption Notice and this policy is available to everyone based at that location or office.

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

10.4 If you believe or suspect that a conflict with this policy has occurred or may occur in the future, you must notify your manager, a member of the Legal Team or a member of the ESG Committee as soon as possible. For example, if a client or potential client offers something to gain a business advantage with us or indicates 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.

11. HOW TO RAISE A CONCERN

11.1 Please raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage. Individuals 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.

11.2 If you are offered a bribe by a third party, or are asked to make one, or if you believe or suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity, it is important that you **tell either a member of the ESG**

Committee, a member of senior management or you can email the Legal Team on briberyact@wshlimited.com as soon as possible.

11.3 If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these can be raised with your line manager, a member of the ESG Committee or by emailing the Legal Team on briberyact@wshlimited.com.

11.4 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.

11.5 If you believe that you have suffered any such treatment, you should inform a member of the ESG Committee or a member of senior management immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Process, which can be found on Sharepoint.

12. TRAINING AND COMMUNICATION

12.1 Training on this policy forms part of the induction process for all individuals who work for us, and regular training is provided as necessary. The type of training will depend on the nature of the individual's role with us and, in all forms of training, this policy will be referred to as well as our zero-tolerance approach to bribery and corruption.

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

12.3 Each line manager is responsible for monitoring their team's training completion rates on a regular basis and ensuring that their team have completed the appropriate level of training based on their role(s).

13. BREACHES OF THIS POLICY

13.1 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

13.2 We reserve our right to terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

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 Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and have completed the appropriate level of training based on their role(s).

14.3 The Legal Team has primary responsibility for reviewing the effectiveness, and implementation, of this policy and dealing with any queries about it. The Legal Team shall regularly report in to the ESG Committee on the policy.

14.4 The ESG Committee has responsibility for monitoring the overall effectiveness of our anti-bribery and corruption practices and identifying any areas for improvement (which shall be reported to the board). The ESG Committee is made up of senior individuals across the business. More information on the ESG Committee can be found on Sharepoint here: [ESG Committee](#).

14.5 You are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to a member of the ESG Committee.

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; a member of the ESG Committee; a member of senior management; or the Legal Team via briberyact@wshlimited.com:

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