



Anti-Corruption and Bribery Policy

MG/HR/POL/007

Issue 6– Aug 2019

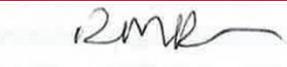


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1. Document Control

Morson Reference:	MG/HR/POL/007
Title:	Anti-Corruption and Bribery Policy
Version:	6
Date:	Aug 2019
Prepared For:	HR

	Name	Signature	Date
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QA Approval:	Gareth Morris		20/08/2019
MG Approval:	Dr Kevin Gorton		21/08/2019

2. Our Policy

- 2.1 It is the policy of Morson Group and its subsidiaries (collectively “we”, “us” or “Group”) to conduct all 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 implementing and enforcing effective systems to counter bribery.
- 2.2 We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. However, we remain bound by laws of the UK, including the Bribery Act 2010, in respect of our conduct both at home and abroad as well as the laws of the United States of America and in particular the United States Foreign Corrupt Practices Act (“FCPA”).
- 2.3 The purpose of the policy is to:
- Set out our responsibilities, and those working for us, in observing and upholding our position on bribery and corruption; and
 - Provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.
- 2.4 In the UK 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 for tendering for public contracts and face damage to our reputation. We therefore take our legal responsibilities very seriously.
- 2.5 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 as well as immediate family members.

3. Scope

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 or any other person associated with us (collectively, “Workers”). This policy and procedure does not form part of your contract of employment or contract for services. We may vary this policy and procedure at any time.

All Workers should receive a copy of this policy and confirm that they have read, understood and accept its content and agree to report any violations.

4. What is bribery and corruption?

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

This could be in the form of cash, cash equivalents (such as gift cards, certificates or vouchers, store cards or gambling chips), gifts to family members, forgiveness of a debt, loans, personal favours, entertainment, meals and travel, political and charitable donations, business opportunities or medical care.

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. The improper acts may be in relation to any business or professional activities, public functions, acts in the course of employment, or other activities by or on behalf of any organisation of any kind.

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

5. Gifts and hospitality

This policy does not prohibit normal and appropriate gifts and hospitality (given or received) to or from third parties. Where Workers (or third party, when received) are not in attendance for the hospitality, these shall be considered gifts and subject to the rules and requirements for gifts specified in this policy.

5.1 The giving and receiving of gifts is not prohibited, if the following requirements are met:

- 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 laws;
- It is given in our name, not in yours;
- It does not include cash or cash equivalent;
- 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 not given secretly;
- It is properly recorded subject to the record keeping requirements in this policy; and
- The value is less than £150 or \$200

5.2 We appreciate that the practise of giving business gifts varies between countries and regions and what maybe normal and acceptable in one region may not be in another. The test to be applied is whether in all circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

5.3 Common sense and moderation should prevail in hospitality (given or received) to or from third parties. Hospitality should be provided only if the hospitality is infrequent, modest and intended to serve legitimate business goals.

5.4 Hospitality (which may include meals, entertainment, travel and lodging) should never be offered as a means of influencing another person's business decision. Each should only be offered if it is

appropriate, reasonable for promotional purposes, offered or accepted in the normal course of an existing business relationship, and if the primary subject of discussion or purpose of travel is business. The appropriateness of a particular type of hospitality depends upon both the reasonableness of the expense and on the type of activity involved. This is determined based on whether or not the expenditure is sensible and proportionate to the nature of the individual involved.

5.5 Expenses for hospitality for any third party that has the power to decide or influence the Group's commercial activities may be incurred without prior approval by a member of the Operations Board only if all of the following conditions are met:

- The expenses are bona fide and related to a legitimate business purpose and the events involved are attended by appropriate Group Workers;
- The cost is less than £150 or \$200 per person; and
- The hospitality is permitted by the rules of the third party's employer (if applicable).

For all such expenses, the reimbursement request must identify total number of all attendees and their names, employer, and titles (if possible). All expense reimbursements must be supported by receipts, and expenses and approvals must be accurately and completely recorded in the Company's records. In all instances, Workers must ensure that the recording of the expenditure associated with the hospitality clearly reflects the true purpose of the expenditure.

Please note that the provision of hospitality as well as the reporting requirements, in this policy, apply even if Group Workers are not seeking reimbursement for the expenses (i.e. paying these expenses out of your own pocket does not avoid these requirements).

When possible hospitality payments should be made directly by the Group to the provider of the service, and should not be paid directly as a reimbursement. Daily allowances may not be paid to a third party that has the power to decide or influence the Company's commercial activities for any reason.

5.6 Any hospitality expense greater than £150 or \$200 per person and any expense at all that is incurred for hospitality unrelated to a legitimate business purpose, must be pre-approved by a member of the Operations Board.

5.7 Any gift or hospitality that does not fall specifically within the above guidelines requires advance consultation with a Director / Senior Manager.

6. What is not acceptable?

6.1 It is not acceptable for you (or someone on your behalf) to:

- 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;
- Make any political contributions or charitable contributions in your own name or that of the Company to obtain business or to gain an improper business advantage.

- Give, promise to give, or offer, a payment or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure;
- Accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;
- Accept a gift or hospitality from a third party if you know or suspect that it is with an expectation that a business advantage will be provided by us in return;
- Threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- Engage in any activity that might lead to a breach of this policy.
- Paying for any gifts or hospitality out of your own pocket.

7. Donations

We only make charitable and/or political donations that are legal and ethical under local laws and practises. No donations must be offered or made without the prior approval of a member of the Operations Board. Individuals should also only make donations that are legal and ethical under local laws and practices and must not make any donations on behalf of us.

8. Record-keeping & Monitoring

- 8.1 We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 8.2 You must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review. Please ensure that the relevant information is recorded on the Hospitality and Gifts screen on Cascade.
- 8.3 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.
- 8.4 All account, 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.
- 8.5 Any red flags such as excessive payment requests, last minute payments, requests for payment to another third party or requests for payments to an account outside of the country where the third party is working should be investigated.

9. Responsibilities

- 9.1 You must ensure that you read, understand and comply with this policy. The policy will be reviewed and re-issued from time to time and you will be required to confirm that you have read, understand and will abide by the policy at least annually.

- 9.2 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.
- 9.3 You must notify the HR Department as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. Concerns can be reported via our Whistle Blowing Procedure and you are appropriately protected as a result.
- 9.4 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. We reserve the right to terminate our contractual relationship with other workers if they breach this policy.
- 9.5 The Board of Directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under the control comply with it.
- 9.6 The HSQE Director is responsible for assessing the risk of bribery and corruption within the organisation, at least annually or sooner if deemed necessary.
- 9.7 The Commercial Director has primary day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness. 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.

10. Amendment Record

Issue	Date	Description
1	1 st October 2013	First issue
2	1 st August 2015	Re-branding
3	1 st May 2016	2.1. Added 'we' 2.2 Includes reference to US law 2.5 Includes immediate family members 3. Includes contract for services 3. Includes requirement for all workers to receive a copy of the policy 4. Defines the different areas that could be classed as a bribe and where it is considered to be an act of corruption. 5.1. Defined what is acceptable as a gift or hospitality. 5.2 Added value for acceptable gifts 5.4 Authorisation from Director 6.1 Added political and charitable donations and payment out of own pocket

		<p>7 Defined what is acceptable in terms on donations</p> <p>8.5 Add red flags</p>
4	1 st October 2016	<p>5. Clarification made to distinguish between gifts and hospitality</p> <p>5.1. Included 'subject to the record keeping requirements'.</p> <p>5.3-5.6. Added further detail to clarify hospitality policy</p> <p>8.2 Included reference to the Hospitality and Gifts screen on Cascade.</p> <p>9.1. Added reference to the annual review and re-issue of the policy.</p>
5	20 th October 2017	Changed checked by to Dawn Radcliffe
6	5 th March 2018	<p>Added 9.6 HSQE Director is responsible for assessing the risk of bribery and corruption within the organisation, at least annually or sooner if deemed necessary.</p> <p>REVIEWED: 13/08/2019 NO CHANGE</p>