

Anti-Corruption, Fraud & Bribery

1. Policy:

- 1.1 The Forsyths Group of Companies is committed to conducting all of its dealings in an honest and ethical manner. We take a zero-tolerance approach towards bribery, fraud and corruption and any form of dishonesty in our business.
- 1.2 The Forsyths Group of Companies will uphold all laws relevant to countering bribery, fraud and corruption in all the jurisdictions in which we operate. However, the Forsyths Group of Companies remain bound by the laws of the UK, including the Bribery Act 2010, in respect of our conduct both at home and abroad.
- 1.3 The purpose of this policy is to:
 - 1.3.1 Set out our responsibilities, and of those working for us, in observing and upholding the Forsyths Group of Companies position on bribery and corruption.
 - 1.3.2 Provide information and guidance to those working for the Forsyths Group of Companies on how to recognise and deal with bribery and corruption issues.
- 1.4 Bribery and corruption are punishable for individuals by up to 10 (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.
- 1.5 The Forsyths Group of Companies could also attract liability under the Bribery Act 2010 if a person associated with us is found to have paid a bribe on our behalf and we did not have adequate procedures in place to prevent such conduct. We therefore take our legal responsibilities very seriously. Similarly, fraud may lead to civil and/or criminal proceedings.
- 1.6 Any allegation that an employee of Forsyths Group of Companies has acted in a manner that is illegal or inconsistent with this policy will be treated seriously, regardless of seniority of those involved. Disciplinary action up to and including, dismissal may result. Where it is believed that a criminal offence may have been committed, the police or other authorities may be informed

1.7 The Forsyths Group of Companies has identified that the following are particular risks for the organisation:

- Financial uncertainty
- Overseas Clients

To address those risks the Forsyths Group of Companies has:

- Reviewed its authority and risk management structures and appointed the Group Administration Manager with overall responsibility for our Anti-Corruption, Fraud & Bribery programme.
- Reviewed and revised our Whistleblowing procedure.
- Initiated a review of the gifts and corporate hospitality procedure.
- Initiated a review of disciplinary and other HR procedures.
- Initiated a review of contracts and procedures for overseas Clients

1.8 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, Subcontractors, Consultants, Service Providers, Distributors, Sales Representatives, Business Contacts, Agents, Advisors; and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

2. Who is Covered by this Policy?

This policy applies to all individuals working at all levels, including all directors, senior managers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, part-time staff, agency staff, or any other person associated with the Forsyths Group of Companies.

3. What is Bribery?

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage. The advantage sought or the inducement offered does not have to be financial or remunerative in nature, and may take the form of improper performance of an activity or function

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 the Forsyths Group of Companies. It may also be an offence for the potential Client to accept your offer.

Receiving a bribe

A supplier of the Forsyths Group of Companies gives your nephew/niece a job, but makes it clear that in return they expect you to use your influence in our organisation to ensure the Forsyths Group of Companies continues 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 Forsyths Group of Companies to make an additional payment to a foreign official to speed up an administrative process, such as clearing goods through customs.

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. Gifts & Hospitality:

4.1 This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties.

4.2.1 The giving or receipt of gifts is not prohibited, if the following requirements are met

4.2.2 It is not made with the intention of influencing a third party to obtain a business advantage, or to reward the provision or retention of a business advantage, or in explicit or implicit exchange for favours or benefits;

4.2.3 It complies with local law;

- 4.2.4 It is given in the name of the Forsyths Group of Companies, not in your name;
 - 4.2.5 It does not include cash or a cash equivalent (such as gift certificates or vouchers);
 - 4.2.6 It is appropriate in the circumstances. For example, in the UK it is customary for small gifts to be given at Christmas time;
 - 4.2.7 Taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;
 - 4.2.8 It is given openly, not secretly; and
 - 4.2.9 Gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of your line manager and the Group Administration Manager.
- 4.3 The Forsyths Group of Companies appreciates that the practice of giving business gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered.

5. What is Not Acceptable?

- 5.1 It is not acceptable for you (or someone on your behalf) to:
- 5.1.1 Give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a commercial advantage will be received, or to reward a commercial advantage already given;
 - 5.1.2 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;
 - 5.1.3 Accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a commercial advantage for them;
 - 5.1.4 Accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a commercial advantage will be provided by the Forsyths Group of Companies in return;
 - 5.1.5 Threaten or harass against another employee who has refused to commit a bribery offence or who has raised concerns under this policy; or
 - 5.1.6 Engage in any activity that might lead to a breach of this policy.

6. Facilitation Payments and Kickbacks:

- 6.1 The Forsyths Group of Companies does 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 the Forsyths Group of Companies operates.
- 6.2 If you are asked to make a payment on behalf of the Forsyths Group of Companies, 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 your Line Manager or the Group Administration Manager.
- 6.3 Kickbacks are typically payments made in return for a commercial favour or advantage. All associated staff must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by the Forsyths Group of Companies.

7. Fraud:

- 7.1 There is no precise definition of fraud. It's generally taken to involve theft, the removal of cash or assets to which the fraudster is not entitled to or false accounting, the falsification or alteration of accounting records or other documents. The Forsyths Group of Companies is potentially exposed amongst other things to:
- 7.1.2 External fraud, perpetuated by individuals outside the organisation;
 - 7.1.3 Internal fraud, perpetuated by management and other employees; and
 - 7.1.4 Collusion – either within the Forsyths Group of Companies or between staff and outsiders
- 7.2 Any loss through fraud will reduce the effectiveness of the Forsyths Group of Companies operations and fraud, or attempted fraud, will be perceived as a



serious matter, possibly leading to disciplinary action being taken including dismissal and also possible legal action against all individuals or corporate entities involved in the fraud or potential fraud.

7.3 The Forsyths Group of Companies will investigate all reports of fraud or potential fraud. These should be reported in the first instance to the Group Administration Manager, who will establish whether there is sufficient evidence to justify further investigation. Confidentiality will be preserved throughout the investigation and any disciplinary procedures. If appropriate, the fraud or attempted fraud will be reported to the police.

7.4 The Forsyths Group of Companies will seek to restore its assets, or recover financial losses against fraudsters.

8. Your Responsibilities:

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

8.2 The prevention, detection and reporting of bribery, fraud and other forms of corruption are the responsibility of all those working for the Forsyths Group of Companies or under our control. All associated staff are required to avoid any activity that might lead to, or suggest, a breach of this policy.

8.3 You must notify your line manager or the Group Administration Manager 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 commercial advantage with the Forsyths Group of Companies, or indicates to you that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery, fraud or corruption are set out in the Schedule.

8.4 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. The Forsyths Group of Companies reserves the right to terminate the Forsyths Group of Companies' contractual relationship with other associated staff if they breach this policy.

9. Record Keeping:

9.1 The Forsyths Group of Companies 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 All staff must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review.

- 9.3 All expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with the Forsyths Group of Companies' expenses policy and specifically record the reason for the expenditure.
- 9.4 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.

10. How to Raise a Concern:

- 10.1 All staff are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery, fraud or corruption, or if you have any other queries, these should be raised with your line manager or the Group Administration Manager. Concerns should be reported by following the procedure set out in our Whistleblowing Policy – see Employee Handbook. Confidentiality of those raising concerns will be protected.

11. What to do if you are a Victim of Bribery & Corruption:

- 11.1 It is important that you tell your Line Manager or the Group Administration Manager 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.

12. Protection:

- 12.1 Staff that refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. The Forsyths Group of Companies 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.
- 12.2 The Forsyths Group of Companies is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery, fraud or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery, fraud 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 or the Group Administration Manager immediately. If the matter is not remedied, and you are an employee, you should raise it formally using the Forsyths Group of Companies' Grievance Procedure – see Employee Handbook.

13. Communication:

- 13.1 Our zero-tolerance approach to bribery, fraud 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.

14. Who is Responsible for the Policy?

- 14.1 The Chairman has ultimate responsibility for ensuring this policy complies with the Forsyths Group of Companies' legal and ethical obligations, and that all those under the Forsyths Group of Companies' control comply with it.
- 14.2 The Group Administration Manager, reporting to the Chairman, 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.

15. Monitoring & Review:

- 15.1 The Group Administration 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, fraud and corruption.

- 15.2 All staff are responsible for the success of this policy and they should ensure it is used to disclose any suspected danger or wrongdoing.
- 15.3 Staff 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 Group Administration Manager, email fiona.toovey@forsyths.com
- 15.4 This policy does not form part of any employee's contract of employment and it may be amended at any time.

Potential risk scenarios: "red flags"

The following is a list of possible red flags that may arise during the course of you working for the Forsyths Group of Companies 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 the Forsyths Group of Companies, you must report them promptly to your manager or to the Group Administration Manager or using the procedure set out in the Whistleblowing policy – see Employee Handbook:

- (a) You become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- (b) 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;
- (c) A third party insists on receiving a commission or fee payment before committing to sign up to a contract with the Forsyths Group of Companies, or carrying out a government function or process for the Forsyths Group of Companies;
- (d) 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;
- (e) A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (f) A third party requests an unexpected additional fee or commission to "facilitate" a service;
- (g) A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- (h) A third party requests that a payment is made to "overlook" potential legal violations;



- (i) A third party requests that you provide employment or some other advantage to a friend or relative;
- (j) You receive an invoice from a third party that appears to be non-standard or customised;
- (k) A third party insists on the use of side letters or refuses to put terms agreed in writing;
- (l) You notice that the Forsyths Group of Companies has been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- (m) 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 the Forsyths Group of Companies; and
- (n) You are offered an unusually generous gift or offered lavish hospitality by a third party.