



Anti-Bribery policy



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Introduction

Luceco plc together with all other Companies within its corporate group (the "Group") is committed to conducting its business around the world with the highest degree of integrity. This commitment includes a zero-tolerance approach towards all forms of bribery and corruption.

This policy has been formally approved by the Group's Board of Directors and extends to all of the business dealings and transactions in all countries around the world in which the Group, its associates, joint venture partners or agents operate.

It is a mandatory requirement that all people who perform services on behalf of the Group, including directors, officers, employees, joint venture partners, agents, advisors and suppliers comply with this policy and you should ensure that you are fully familiar with its contents, refreshing your memory as necessary from time to time.

Engaging in bribery and corruption is unlawful and any employee, director or officer found to have breached this policy will be liable to disciplinary action which may result in dismissal or other serious sanctions. Breaches of this policy by suppliers, joint venture partners, agents or third party contractors and advisors to the Business may result in immediate termination for breach of all contracts with the Group.

Further, engaging in bribery and corruption whether at home or abroad will constitute a criminal offence which will expose both the Group and you personally to serious criminal sanctions, including the risk of imprisonment.

All of us share a responsibility to ensure compliance with this policy and, should you become aware that any person acting or purporting to act on behalf of the Group may have committed an act of bribery or corruption, you must report your concerns immediately. You can be assured that reporting any concerns will not result in you receiving any negative or retaliatory treatment from the Group.

I know that everyone within the Business shares the commitment of the Board of Directors to ensuring that the highest standards of integrity are maintained and that I can count on you for your full support.

Chief Executive Officer

Policy statement

The Bribery Act 2010 (the "Act") makes it an offence to offer, promise or give a bribe. It also makes it an offence to request, agree to receive or accept a bribe. Further, there is a corporate offence of failure by a commercial organisation to prevent bribery that is intended to obtain or retain business, or an advantage in the conduct of business, for the organisation.

The Group, as part of its commitment to the prevention, detection and deterrence of bribery, will ensure the maintenance of adequate procedures designed to identify and prevent bribery by, or of, persons associated with the Group.

Definition of Bribery

Offering, promising, giving, requesting, agreeing to receive or accepting any financial or other advantage to or from a private individual or entity, whether directly or indirectly, as an inducement or reward for the improper performance of a function or activity, or knowing or believing that the acceptance or request of any financial or other advantage would in itself constitute an improper performance of a function or activity; or

Offering, promising or giving a financial or other advantage to a public official with the intention of influencing their behaviour (in their official capacity) in order to obtain or retain business or a business advantage.

Further details of what may constitute a bribe and a non-exhaustive list of examples of potential bribes and other suspicious activities are set out in paragraph 3 and Schedule 1 to this policy.

Policy statement

The Group expects its employees, directors, officers, joint venture partners, agents, advisors and suppliers to demonstrate honesty and integrity in all aspects of their business dealings and to exercise appropriate standards of professionalism and ethical conduct in all their activities. Pursuant to this, the Group will not tolerate bribery, or corruption of any form, and will maintain a zero tolerance' approach to any breach of this or any related policy.

The purpose of this policy is to set out for all employees, directors, officers, joint venture partners, agents, advisors and suppliers the Group's aim of limiting exposure to bribery by:

- setting out and maintaining a clear anti-bribery policy;
- making all employees, directors, officers, joint venture partners, agents, advisors and suppliers aware of their responsibilities to adhere strictly to this policy at all times;
- providing appropriate training to relevant employees, directors, officers, joint venture partners, agents, advisors and suppliers so bribery can be recognised and avoided;
- fully investigating all instances of alleged bribery and assisting police and other relevant authorities in any resultant prosecutions; and
- taking immediate and vigorous action against any individual(s) involved in bribery.

Scope

This policy applies to all staff, including officers, directors, temporary agency staff, contractors, non - executives and consultants as well as to joint venture partners, agents, advisors and suppliers.

The provisions of this policy must be considered in conjunction with all existing policies and procedures.

Application

Under this policy, all employees, directors, officers, joint venture partners, agents, advisors and suppliers are prohibited from:

- giving, accepting, promising to give or promising to accept an offer of payments, a gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- accepting payment from a third party if you know or suspect is offered with the expectation that it will obtain a business advantage for them;
- retaliating against or threatening a person who has refused to commit a bribery offence or who has raised concerns under this policy;
- giving or accepting bribes to/from government of public officials (e.g. facilitation payments); and
- engaging in any activity in breach of this policy.

Responsibility

The prevention, detection and reporting of bribery and other forms of corruption is the responsibility of all employees, directors, officers, joint venture partners, agents, advisors and suppliers. All employees, directors, officers, joint venture partners, agents, advisors and suppliers are therefore required to read, understand and comply with this policy.

Individuals are expected to raise concerns as soon as possible if it is believed or suspected that a conflict with this policy.

Any breach of this policy by employees, directors or will result in disciplinary action, and may lead to dismissal. Breaches by joint venture partners, agents, advisors and suppliers may result in immediate termination for breach of all contracts with the Group

Reporting

The Group is committed to ensuring that all employees have a safe and confidential way of reporting concerns. Any suspected breach(es) of policy should, in the first instance, be reported to your line manager. In the event that you are unable to report to your line manager, you should report to the Chief Financial Officer.

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.

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 or one of our clients.

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 or one of our clients. 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 or one of our clients 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 business to pay an additional payment to a foreign official to speed up an administrative process, such as obtaining a building permit or a visa.

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.

Gifts and hospitality

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

The giving or receipt of gifts or hospitality is not prohibited, if the following requirements are met and provided the relevant gifts or hospitality fall within one of the categories set out in paragraph below:

- 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 law;
- it is given in our name, not in your name;
- it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- 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 given openly, not secretly; and
- gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the CEO.

The following gifts or hospitality are permitted provided they do not contravene any of the provisions of paragraph above:

- gifts worth no more than £50 (or its equivalent) may be accepted provided that you notify the Commercial Group Sales Director;

- normal business courtesies of lunch, dinner and invitations to concerts, the theatre and sporting events may be accepted provided that:
 - You first check with a director or the CEO that such an invitation is in line with appropriate business practice;
 - The host is present; and
 - Travel and accommodation costs are not borne by the inviting party except with the prior consent of a director or the CEO; and
- you may offer normal business courtesies of lunch, dinner and invitations to concerts, the theatre and sporting events provided the cost is approved in accordance with the Luceco plc fees and expenses policy.

We appreciate 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.

If you are offered a gift worth more than £50 (or the equivalent), this should generally be rejected. You must inform the Commercial Group Sales Director and the CEO of the offer of such a gift. However, if the rejection of a gift might impair a business relationship, this should be discussed with the Commercial Group Sales Director and the CEO and the gift may be accepted provided that it is donated to charity.

What is not acceptable?

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;
- 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;
- 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 offered or provided 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.

Donations and sponsorships

We only make charitable donations to charities which are UK registered, fit in with the Group's values and objectives and are not politically motivated. No donation must be offered or made without the prior approval of any one of the following: a director or the Chief Financial Officer.

We only offer sponsorships that are legal and ethical under local laws and practices. No sponsorship must be offered or made without the prior approval of any one of the following: a director or the Chief Financial Officer.

Your responsibilities

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

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us, providing services for us or acting on our behalf or are otherwise under our control. All employees, directors, officers, joint venture partners, agents, advisors and suppliers are required to avoid any activity that might lead to, or suggest, a breach of this policy.

You must notify your line manager or the Chief Financial Officer 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 business advantage with us, or indicates to you that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption are set out in schedule 1 at the end of this document.

Any breach of this policy by employees, directors or will result in disciplinary action, and may lead to dismissal. Breaches by joint venture partners, agents, advisors and suppliers may result in immediate termination for breach of all contracts with the Group.

Record-keeping

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

You must declare and keep a written record of all hospitality or gifts accepted or offered, which will be subject to managerial review.

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.

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.

How to raise a concern

You 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 or corruption, or if you have any other queries, these should be raised with the Commercial Group Sales Director and/or the Chief Financial Officer.

What to do if you are a victim of bribery or corruption

It is important that you tell the Commercial Group Sales Director and/or Chief Financial Officer as soon as possible if you are offered a bribe, 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.

Protection

Workers 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. However, if concerns are made in bad faith, employees may be subject to the Group's disciplinary procedure.

Employees who are involved in committing an act or acts of bribery may be subject to the Group's disciplinary procedure. However, 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. If you believe that you have suffered any such treatment, you should inform the Chief Financial Officer immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure, which can be found in the Group's Handbook.

Training and communication

Training on this policy forms part of the induction process for all new workers. All existing workers will receive regular, relevant training on how to implement and adhere to this policy.

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

Who is responsible for the policy?

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.

The Chief Financial Officer 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 and are given adequate and regular training on it.

Monitoring and review

The Chief Financial Officer 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 and corruption.

All employees, directors, officers, joint venture partners, agents, advisors and suppliers are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.

Employees, directors, officers, joint venture partners, agents, advisors and suppliers 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 Chief Financial Officer.

Whilst all employees, directors and officers are required to comply with this policy in full, this policy does not form part of any contract of employment and as such may be amended at any time.

Schedule 1: Potential risk scenarios: "red flags"

The following is a list of possible red flags that may arise during the course of you working for or with 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 the Chief Financial Officer or using the procedure set out in the Whistleblowing Policy:

- (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 us, or carrying out a government function or process for us;
- (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;
- G) 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 we have 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 us;
- (n) you are offered an unusually generous gift or offered lavish hospitality by a third party;
- (o) an adviser, agent, broker, consultant, intermediary, middleman or other representative (each an "Adviser") lacks experience in the sector and/or with the country in question;
- (p) non-residence of an Adviser in the country where the customer or the project is located;
- (q) the Adviser has no significant business presence within the country in question;
- (r) an Adviser arrives on the scene just before the execution or award of a contract; or
- (s) there are insufficient bona fide reasons for retaining an Adviser.