

## Anti-Bribery & Corruption Policy

### Policy information

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## 1. POLICY STATEMENT

The reputation of Gardner Aerospace for lawful, ethical and honest business behaviour is fundamental to our company. We are committed to maintaining the highest standards of ethics and integrity in the way we do business and implementing and enforcing effective systems to counter bribery and corruption. Bribery and corruption in all forms are illegal and unacceptable and are referred to as potential gross misconduct in the company disciplinary procedure. A zero tolerance approach is adopted at all times.

## 2. ABOUT THIS POLICY

- 2.1 The purpose of this policy is to set out the main principles that must be adhered to and expected standards for preventing bribery and corruption and to provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.
- 2.2 In conjunction with related policies and key documents it will also enable employees to understand their responsibilities and to identify and effectively report a potential breach.
- 2.3 It is a criminal offence to offer, promise, give, request, or accept a bribe. If individuals are found guilty they can be punished by up to ten years' imprisonment and/or a fine. If the Company is found to have taken part in or failed to prevent corruption we could face an unlimited fine, be excluded from tendering for public contracts and face damage to our reputation. We therefore take our legal responsibilities very seriously and expect you to do the same.
- 2.4 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.

## 3. TO WHOM DOES THIS POLICY APPLY?

- 3.1 This policy applies to all individuals in the organisation, including directors, senior managers, team leaders, employees, consultants, contractors, trainees, part time and fixed-term workers, casual and agency staff wherever located.
- 3.2 We also expect any business partner with whom we deal to act with the same high standards in relation to bribery and corruption. We will select business partners on the basis of their values and ethics as well as their financial standing. Where relevant, we will include appropriate clauses in contracts about the consequences of bribery and corruption.

## 4. WHO IS RESPONSIBLE FOR THE POLICY?

- 4.1 Our 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.
- 4.2 The HR VP has primary and day-to-day responsibility for monitoring the adequacy and effectiveness of the policy, reviewing its implementation and auditing internal control systems and procedures to ensure that they are effective in countering bribery and corruption. Improvements identified will be made as appropriate.

- 4.3 Management and senior staff 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.
- 4.4 All those working for us or under our control are responsible for the prevention, detection and reporting of bribery and other forms of corruption and are responsible for the success of this policy.
- 4.5 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 the HR VP.

## 5. **PRINCIPLES**

- 5.1 The following principles apply to all of Gardner Aerospace's business activities:
  - (a) We will carry out business fairly, honestly and openly.
  - (b) We will not get involved in any business transaction that could result in a direct personal benefit.
  - (c) We will not make bribes, nor will we condone the offering of bribes on our behalf, so as to gain a business advantage.
  - (d) We will not accept bribes, nor will we agree to them being accepted on our behalf, in order to influence business decisions.
  - (e) We will not do business with others who do not accept our values and who may harm our reputation.
  - (f) We will set out easily accessible processes for avoiding bribery.
  - (g) We will keep clear and updated records.
  - (h) We will make sure that everyone in our business and our business partners know our principles.
  - (i) We will regularly review our program and update processes as needed.
  - (j) We will keep to these principles even when it becomes difficult.
  - (k) We will not use our position as an employee or representative of Gardner Aerospace to get discounts from contractors/suppliers unless they are agreed discounts that are available to all employees or have been expressly authorised by management.

## 6. **WHAT ARE BRIBERY AND CORRUPTION?**

- 6.1 Bribery is offering, promising, giving or accepting any financial or other advantage, to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage.
- 6.2 An advantage includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value.
- 6.3 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. 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.

- 6.4 Corruption is the abuse of entrusted power or position for private gain.
- 6.5 The following examples of bribery offences that can be committed are not intended to be exhaustive and are for illustrative purposes only.
- (a) An example of offering a bribe is offering 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.
  - (b) An example of receiving a bribe is a supplier giving your nephew a job, but making 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.
  - (c) An example of bribing a foreign official is arranging for the business to pay an additional "facilitation" payment to a foreign official to speed up an administrative process, such as clearing our goods through customs. The offence of bribing a foreign public official is 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.

## 7. LEGAL COMPLIANCE

We will comply with all laws, rules and regulations relating 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.

## 8. WHAT YOU MUST NOT DO

- 8.1 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) accept a payment, gift or hospitality from a third party that you know or suspect is offered with the expectation that it / we will provide a business advantage for them or anyone else in return;
  - (d) accept hospitality from a third party that is unduly lavish or extravagant under the circumstances.
  - (e) offer or accept a gift to or from government officials or representatives, or politicians or political parties;
  - (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 other activity that might lead to a breach of this policy.
- 8.2 You are required to avoid any activities that might lead to, or suggest a conflict of interest with the Company.

## 9. FACILITATION PAYMENTS

- 9.1 We do not make, and will not accept, facilitation payments or "kickbacks" of any kind.
- 9.2 Facilitation payments, also known as "back-handers" or "grease payments", are typically small, unofficial payments made to secure or expedite a routine or necessary action (for example by a government official).
- 9.3 Kickbacks are typically payments made in return for a business favour or advantage.
- 9.4 You must avoid any activity that might lead to a facilitation payment or kickback being made or accepted by us or on our behalf, or that might suggest that such a 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 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 the HR VP.

## 10. **RELATIONSHIPS WITH CUSTOMERS AND SUPPLIERS**

- 10.1 We agree the terms of supplier payments at the start of business and pay in line with our contractual obligations. We abide by this policy with specific regard to purchasing and placement of contract and the relationship with our customers. Clear and accurate financial records will be kept to ensure transparency of payment terms between the business and its partners, be they customers or suppliers. This would include all price negotiations and rebates.

## 11. **GIFTS, HOSPITALITY, ENTERTAINMENT AND EXPENSES**

- 11.1 Gifts, hospitality, entertainment and/or expenses could sometimes be disguised bribes. The following rules clearly define what we consider to be genuine and acceptable and what is not.
- 11.2 This policy allows reasonable and appropriate hospitality or entertainment given to or received from third parties, for the purposes of:
  - (a) establishing or maintaining good business relationships;
  - (b) improving or maintaining our image or reputation; or
  - (c) marketing or presenting our products and/or services effectively; andonly where someone from the party giving the hospitality or entertainment is present at the event.
- 11.3 The giving and accepting of gifts is allowed if 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;
  - (b) it is given in our name, not in your name;
  - (c) you have not requested it;
  - (d) it has a nominal value of less than or equal to \$50USD (such amount to be reviewed from time to time when this policy is reviewed);
  - (e) it does not include cash or a cash equivalent (such as gift certificates or vouchers);

- (f) it is appropriate in the circumstances, taking account of 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;
- (g) it is given openly, not secretly; and
- (h) it complies with any applicable local law.

11.4 If you are unsure whether a gift meets the criteria at clauses 11.3(a), 11.3(f)and/or 11.3(h), before you give or accept it you should seek prior written management approval.

11.5 Promotional gifts of low value such as branded stationery to or from existing customers, suppliers and business partners will usually be acceptable.

11.6 Reimbursing a third party's expenses, or accepting an offer to reimburse our expenses (for example, the costs of attending a business meeting) would not usually amount to bribery. However, a payment in excess of genuine and reasonable business expenses (such as the cost of an extended hotel stay or a hotel stay which included partners and spouses) is not acceptable.

11.7 We appreciate that practice 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, hospitality or payment is reasonable and justifiable. The intention behind it should always be considered.

## 12. **CONFLICTS OF LOYALTY OR INTEREST**

You must declare in writing if you find yourself in any situation where your loyalty to the company comes into conflict with any personal interests or loyalties. Such a declaration should be made to your immediate manager who should then report it to the appropriate senior manager.

## 13. **POLITICAL DONATIONS**

We do not make any contributions to political parties.

## 14. **RECORD KEEPING**

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

14.2 You must declare and keep a written record of all hospitality, entertainment or gifts given or received. We will maintain this in a central register, which will be subject to managerial review.

14.3 You must submit all expenses claims relating to hospitality, gifts or payments to third parties in accordance with our expenses policy and record the reason for expenditure.

14.4 All accounts, invoices, and other records relating to dealings with third parties including suppliers and customers should be prepared accurately and comprehensively. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

## 15. **YOUR RESPONSIBILITIES**

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

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

## 16. HOW TO RAISE A CONCERN

16.1 You are encouraged to raise concerns about any issue of bribery, corruption or breach of this policy as soon as possible.

16.2 If you are unsure whether a particular act constitutes bribery or corruption, or if you need guidance or have any other queries, these should be raised as soon as possible to:

- (a) the most senior colleague at your site; or
- (b) the Executive Board of Gardner Group Limited at Unit 9 Victory Park, Derby; or
- (c) the confidential hotline on 0800 316 5407.

16.3 If you are offered a bribe, [or are asked to make one,] or if you believe or suspect that any bribery, corruption or other breach of this policy has occurred or may occur, you must report it in accordance with our Whistleblowing Policy, which can be found at the Gardner web site or by requesting a copy from your HR department as soon as possible.

## 17. PROTECTION

17.1 Individuals who refuse to accept or offer a bribe, or 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.

17.2 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 unfavorable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the compliance manager immediately (HR VP). If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure, which can be found on the company web site or is available from the HR department.

## 18. TRAINING AND COMMUNICATION

18.1 Training on this policy forms part of the induction process for all individuals who work for us, and regular training will be provided as necessary.

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

## 19. BREACHES OF THIS POLICY

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

19.2 We may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

## 20. **POTENTIAL RISK SCENARIOS: "RED FLAGS"**

20.1 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.

20.2 If you encounter any of these red flags while working for us, you must report them promptly 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;
- (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 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; or
- (n) you are offered an unusually generous gift or offered lavish hospitality by a third party.

### **Status of this Policy**

This policy does not give contractual rights to individual employees. We reserve the right to amend this policy at any time although we will notify you in writing of any changes.