

ANTI-BRIBERY AND CORRUPTION POLICY

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PURPOSE

This anti-bribery and corruption policy sets out the responsibilities of Nylacast and those who work for us regarding observing and upholding our zero-tolerance position on illegal and unethical practices.

This policy also references fraud, money laundering and anti-competitive practices

It also exists to function as a source of information and guidance for those working for Nylacast. It helps them recognise and deal with these issues, as well as understand their responsibilities.

SCOPE

This policy applies to all employees at all levels and grades (whether temporary, fixed-term, or permanent), including senior managers, officers, directors, consultants, contractors, trainees, seconded employees, home employees, casual employees, agency employees, volunteers, interns, agents, sponsors, or any other person or persons associated with Nylacast (including third parties), or any of our subsidiaries or their employees, no matter where they are located (within or outside of the UK). The policy also applies to Officers, Trustees, Board, and/or Committee members at any level.

We have identified that the following are risks for our business: purchasing and procurement, sales and marketing and all other individuals within their duties may work with suppliers or have influence over purchasing activity within the company. To address those risks, we have compiled a robust policy on anti-fraud, money laundering, competition, bribery, and corruption and furthermore will ensure that it is being adhered to by all individuals across the group.

In the context of this policy, third-party refers to any individual or organisation that Nylacast employees meet and work with. It refers to actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies – this includes their advisors, representatives and officials, politicians, and public parties.

Any arrangements our company makes with a third party is subject to clear contractual terms, including specific provisions that require the third party to comply.

REFERENCE DOCUMENTS

- Disciplinary Policy
- Grievance Policy
- Expenses Policy
- Whistleblower Policy

RESPONSIBILITY

As an employee of Nylacast, you must ensure that you read, understand, and comply with the information contained within this policy, and with any training or other anti-fraud, money laundering, competition, bribery, and corruption information you are given.

All employees and those under our control are equally responsible for the prevention, detection, and reporting of fraud, money laundering, anti-competition, bribery, and corruption. Employees are required to avoid any activities that could lead to, or imply, a breach of this policy.

POLICIES

BRIBERY AND CORRUPTION

Nylacast is committed to conducting business in an ethical and honest manner and is committed to implementing and enforcing systems that ensure bribery is prevented. Nylacast has zero-tolerance for bribery and corrupt activities. We are committed to acting professionally, fairly, and with integrity in all business dealings and relationships, wherever in the world we operate.

Nylacast will constantly uphold all laws relating to anti-bribery and corruption in all the jurisdictions in which we operate. We are bound by the laws of the UK, including the Bribery Act 2010, regarding our conduct both at home and abroad.

DEFINITION OF BRIBERY

- A bribe refers to any inducement, reward, or object/item of value offered to another individual to gain commercial, contractual, regulatory, or personal advantage.
- Bribery is not limited to the act of offering a bribe. If an individual is on the receiving end of a bribe and they accept it, they are also breaking the law.
- Bribery is illegal.

Employees must not engage in any form of bribery, whether it be offering or receiving, or through a third party (such as an agent or distributor).

They must not bribe a foreign public official anywhere in the world.

They must not accept bribes in any degree and if they are uncertain about whether something is a bribe or a gift or act of hospitality, they must seek further advice from the company's HR Manager.

Examples:

- **Offering a bribe**

You offer a potential client a ticket 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. 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 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 has been committed as soon as the offer is made. This is because it is made to gain a business advantage for us. The Company may also be found to have committed an offence.

WHAT IS AND WHAT IS NOT ACCEPTABLE

GIFTS AND HOSPITALITY

Nylacast accepts normal and appropriate gestures of hospitality and goodwill (whether given to/received from third parties) so long as the giving or receiving of gifts meets the following requirements:

- It is not made with the intention of influencing the party to whom it is being given, to obtain or reward the retention of a business or a business advantage, or as an explicit or implicit exchange for favours or benefits.
- It is not made with the suggestion that a return favour is expected.
- It complies with local law.
- It is given in the name of the company, not in an individual's name. e. It does not include cash or a cash equivalent (e.g., a voucher or gift certificate).
- It is appropriate for the circumstances (e.g., giving small gifts around Christmas or as a small thank you to a company for helping with a large project upon completion).
- It is of an appropriate type and value and given at an appropriate time, considering the reason for the gift.
- It is given/received openly, not secretly.
- It is not selectively given to a key, influential person, clearly with the intention of directly influencing them. It is not above a certain excessive value, as pre-determined by the company's HR Manager (usually more than £100).
- It is not offer to, or accepted from, a government official or representative or politician or political party, without the prior from a Company Director and HR manager.
- It does not include cash or a cash equivalent.

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. The gift may be accepted so long as it is declared to the HR Manager, who will assess the circumstances.

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 a gift or hospitality from a third party that you know, or suspect is offered with the expectation that it will obtain a business advantage for them.
- threaten or retaliate against another employee 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.

As good practice, gifts given and received should always be disclosed to the HR Manager. Gifts from suppliers should always be disclosed.

The intention behind a gift being given/received should always be considered. If there is any uncertainty, the advice of the HR Manager should be sought.

FACILITATION PAYMENTS AND KICKBACKS

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 we operate.

Nylacast does not accept and will not make any form of facilitation payments of any kind. We recognise that facilitation payments are a form of bribery that involves expediting or facilitating the performance of a public official for a routine governmental action. 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 we operate.

Nylacast does not allow kickbacks to be made or accepted. We recognise that kickbacks are typically made in exchange for a business favour or advantage.

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 HR Manager.

- Keep any amount to the minimum.
- Ask for a receipt, detailing the amount and reason for the payment.
- Create a record concerning the payment.
- Report this incident to your line manager.

POLITICAL CONTRIBUTIONS

Nylacast will not make donations, whether in cash, kind, or by any other means, to support any political parties or candidates. We recognise this may be perceived as an attempt to gain an improper business advantage.

CHARITABLE CONTRIBUTIONS

Nylacast accepts (and indeed encourages) the act of donating to charities – whether through services, knowledge, time, or direct financial contributions (cash or otherwise) – and agrees to disclose all charitable contributions it makes.

Employees must be careful to ensure that charitable contributions are not used to facilitate and conceal acts of bribery.

We will ensure that all charitable donations made are legal and ethical under local laws and practices, and that donations are not offered or made without the approval of the HR Manager.

WHAT HAPPENS IF I NEED TO RAISE A CONCERN?

HOW TO RAISE A CONCERN

If you suspect that there is an instance of bribery or corrupt activities occurring in relation to Nylacast, you are encouraged to raise your concerns at as early a stage as possible. If you're uncertain about whether a certain action or behaviour can be considered bribery or corruption, you should speak to your line manager, or the HR Manager.

Please refer to our Whistleblower Policy.

WHAT TO DO IF YOU ARE A VICTIM OF BRIBERY OR CORRUPTION

You must tell your HR Manager as soon as possible if you are offered a bribe by a third party, if you are asked to make one, if you suspect that you may be bribed or asked to make a bribe in the future, or if you have reason to believe that you are a victim of another unlawful activity.

PROTECTION

Employees 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.

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 refers to dismissal, disciplinary action, treats, or unfavourable treatment in relation to the concern the individual raised.

If you have reason to believe you've been subjected to unjust treatment because of a concern or refusal to accept a bribe, you should inform your line manager. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure, which can be obtained from the HR Department.

SCHEDULE POTENTIAL RISK SCENARIOS: "RED FLAGS"

The following is a list of possible red flags that may arise whilst you are 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 manager or to the Managing Director or using the procedure set out in the whistleblowing policy:

- you become aware that a third party engages in, or has been accused of engaging in, improper business practices.
- 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.
- 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.
- 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.
- a third-party request that payment is made to a country or geographic location different from where the third party resides or conducts business.
- a third party requests an unexpected additional fee or commission to "facilitate" a service.
- a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services.
- a third-party request that a payment is made to "overlook" potential legal violations.
- a third-party request that you provide employment or some other advantage to a friend or relative.
- you receive an invoice from a third party that appears to be non-standard or customised.
- a third party insists on the use of side letters or refuses to put terms agreed in writing.
- you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided.
- 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.

FRAUD

DEFINITION OF FRAUD

Fraud can be defined as any intentional false representation, including failure to declare information or abuse of position that is carried out to make gain, cause loss, or expose another to the risk of loss.

Categories of fraud:

- gaining an advantage, personally and/or for family or friends
- avoiding an obligation
- causing a financial loss to the Company.

Fraud can occur anywhere and can present itself not simply as a financial outcome or financially motivated acts but also may result in reputational damage or gain from employment.

Some examples of the more common acts of fraud

- Theft of monies
- Theft of other assets including information and intellectual property.
- Unauthorised use of Company property e.g., vehicles, computers, other equipment
- Purchasing or purchase ledger fraud (e.g., approving/paying for goods not received, approving/paying bogus suppliers/contractors, approving/paying inflated prices for goods and services, accepting any bribe)
- Travel and Expense claims overstated or falsely claimed. This may include advances not recovered or forging of counter- signatories.
- Accepting pay for time not worked (e.g., false claim for hours worked, failing to work full contracted hours by any employee, false overtime claims, or falsification of sickness self-certification)
- Computer fraud (e.g., altering or substituting records, duplicating, or creating spurious records, or destroying or suppressing records), where IT equipment has been used to manipulate program of data dishonestly, or where the use of an IT system was a material factor in the preparation of the fraud.
- False accounting – dishonestly destroying, defacing, concealing, or falsifying any account, record or document required for any accounting purpose, with a view to personal gain or gain for another.
- Abuse of position – abusing authority and/or misusing Company resources or information for personal gain or causing loss to the Company.

Employees are individually responsible to ensure they understand the content of the policies and the application within their own role.

DETECTION

No system of preventative measures can guarantee that frauds will not occur. However, systems and controls are in place to detect and highlight irregular transactions. It is the responsibility of all employees to safeguard assets and/or Company funds, with specific responsibilities for senior managers to prevent and detect fraud by maintaining good control systems within their areas and making sure that all employees understand the systems and work within them.

THE RAISING CONCERNS

The Whistleblowing Policy provides an additional route for raising any concerns around suspicious activities.

MONEY LAUNDERING

The Proceeds of Crime Act 2002 and Money Laundering Regulations 2007 define money laundering and the range of activities where this can apply. It is not just a concern for banks and the financial sector but applies to all companies and institutions.

DEFINITION OF MONEY LAUNDERING

Money laundering is the process by which money or other assets obtained through criminal activity are exchanged for 'clean' money or other assets with no obvious link to their criminal origins.

Money laundering may take any form, including money or money's worth, securities, tangible property, and intangible property. It also covers money which is used to fund terrorism. The regulations apply to property, equipment, cheques, cash or bank transfers including cash transactions with agents or third parties.

Money laundering activity includes:

- Acquiring, using, or possessing criminal property
- Handling the proceeds of crime such as theft, fraud, and tax evasion
- Knowingly being involved in any way with criminal or terrorist property
- Entering into arrangements to facilitate laundering of criminal or terrorist property.
- Investing the proceeds of crimes in other financial products
- Investing the proceeds of crimes through the acquisition of property/assets
- Transferring property obtained through criminal activity.

Money laundering legislation applies to all employees, as well as the Company as a legal entity. Potentially any employee could be committing an offence under the money laundering statutes if they suspect money laundering or if they become involved in some way and fail to appropriately report the facts. If any individual suspects that money laundering activity is or has taken place or if any person becomes concerned about their involvement it must be disclosed as soon as possible to their Line Manager or HR Management.

It is important that controls are in place to undertake customer due diligence i.e., steps to identify the customer or other party dealing with the Company.

Other organisations, including suppliers and banks, may be required to undertake similar due diligence on Nylacast or its representatives. All employees are expected to adhere to all such reasonable requests including the provision of relevant identification, where required.

The following are types of risk factors which may, either alone or collectively, suggest the possibility of money laundering activity:

- A new customer, business partner or sponsor not known to Nylacast.
- A secretive person or business e.g., that refuses, without a reasonable explanation, to provide requested information.
- Payment of any substantial sum in cash (over £2,000).
- Concerns about the honesty, integrity, identity, or location of the people involved.
- Involvement of an unconnected third party without a logical reason or explanation.
- Overpayments for no apparent reason.
- Absence of any legitimate source for the funds received.
- Significant changes in the size, nature, frequency of transactions with a customer that is without reasonable explanation.
- Cancellation, reversal, or requests for refunds of earlier transactions.
- Requests for account details outside the normal course of business.
- A history of poor business records, controls, or inconsistent dealing.

Any other facts which tend to suggest that something unusual is happening and give reasonable suspicion about the motives of individuals.

In consultation with your line manager, if it is agreed there is reasonable suspicion of inappropriate activity, a disclosure report must be made to HR Management on the same day that the information came to your attention or, in extenuating circumstances only, as soon as practicably possible after this date.

If, in consultation with your line manager, it is determined not to be suspicious and not reported, then a documented record should be maintained detailing the reasons for this decision.

ANTI-COMPETITION

Nylacast are committed to conducting our business in a manner that encourages fair and open competition and as such are against any behaviour that aims to reduce competition in the market.

DEFINITION OF ANTI-COMPETITION

- Anti-Competition means behaviour that aims to reduce competition in the market.

For example:

- Fixing prices of services among the competitors
- Rigging bids among competitors in order to enable a competitor to win the bid.
- Allocation of the geographic market among competitors for the purpose of doing business.
- Unlawful exclusivity arrangements among entities that encourage monopolisation; and
- Unlawful mergers and acquisitions among companies.

All employees are prohibited from engaging in any activity that promotes unlawful anticompetitive behaviour. For example, when our employees or partners attend trade or industry forums, we require them to be diligent in all dealings with any competitors and to be aware that talking about prices may be anticompetitive.

In addition, in instances, where our customers engage us to conduct procurement for them, we also comply with all rules relating to prevention of anti-competition.

To this end Nylacast will:

- Take into consideration anti-competition risks when exploring new business opportunities.
- ensure adequate policies and procedures are formulated.
- Investigate allegations relating to anti-competitive behaviour and taking appropriate action accordingly.
- Communicating the message of fair and open competition to the business.

COMPLIANCE

All employees must ensure that they 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 or under our control. All employees are required to avoid any activity that might lead to, or suggest, a breach of this policy.

Employees must notify their manager or the HR Manager as soon as possible if they believe or suspect that a conflict with this policy has occurred or may occur in the future.

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct. We reserve our right to terminate our contractual relationship with other employees if they breach this policy.

TRAINING, AWARENESS AND COMMUNICATION

Nylacast will provide training on this policy as part of the induction process for all new employees. All existing employees will receive regular, relevant training on how to implement and adhere to this policy.

Nylacast's anti-fraud, money laundering, competition, bribery and corruption policy and zero-tolerance attitude will be clearly communicated to all suppliers, contractors, business partners, and any third parties at the outset of business relations, and as appropriate thereafter.

REPORTING AND MONITORING

Nylacast will keep detailed and accurate financial records and will have appropriate internal controls in place to act as evidence for all payments made. We will declare and keep a written record of the amount and reason for hospitality or gifts accepted and given and understand that gifts and acts of hospitality are subject to managerial review.

Employees 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.

REVIEW AND REVISION

Nylacast's Board of Directors are responsible for monitoring the effectiveness of this policy, ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

The HR Manager 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 is made aware of and understand this policy and are given adequate and regular training on it.

Internal control systems and procedures designed to prevent bribery and corruption are subject to regular audits to ensure that they are effective in practice.

Any need for improvements will be applied as soon as possible. Employees are encouraged to offer their feedback on this policy if they have any suggestions for how it may be improved. Feedback of this nature should be addressed to the HR Manager.

This policy does not form part of an employee's contract of employment and Nylacast may amend it at any time so to improve its effectiveness at combatting bribery and corruption.

CHANGE HISTORY

Date	Rev. No.	Revision by	Description of change
01/05/12	01	Ian Mallabone	First issue of the Policy
05/07/21	02	Ian Mallabone	Policy formatting updated