

## Policy Purpose

The purpose of this Policy is to:

set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption as set out above; and

Provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.

Bribery and corruption offences are punishable for the individuals involved by imprisonment (up to 10 years) and a personal fine. If AJW as a company are found to have taken part in, or endorsed in any way, the offence of bribery AJW could:

- Be given an unlimited fine by the government, potentially running to millions of pounds;
- Face serious reputational damage, with an impact on future business;
- Lose the trust of its customers, business partners and financiers, with serious financial repercussions for the company;
- Be excluded from future tenders with listed companies or governmental owned companies.

The following are particular risks for AJW's operations and business:

- AJW's engagement of sales agents;
- AJW's relationships with government owned organisations and officials associated with such organisations (e.g. officials connected with state owned airlines);
- AJW's operations in high risk countries where corruption practices are commonplace, such as the CIS countries and Africa.

To address these risks, we are continuously reviewing our guidelines and processes for:

- Due diligence in relation to the appointment of new agents and training of existing agents;
- Due diligence in respect of new business relationships; and
- Offering Corporate hospitality and gifts.

In addition, we have incorporated this Policy and the company's requirements in relation to gifts, expenses and corporate hospitality in the Staff Handbook.

All employees are to be trained in relation to these matters and all new employees will be trained in these matters in the course of their induction process.

## Policy Scope and Application

This Policy applies to all individuals working at all levels, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, casual workers and agency staff, volunteers, interns, agents, or any other person associated with AJW, or associated with any of AJW's subsidiaries or affiliate companies or their employees, wherever located in the world (collectively referred to as **workers** in this Policy).

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.

## 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*. Below are some examples of the type of conduct by an individual which would be in breach of anti-corruption laws and this Policy.

### Examples of bribery:

#### 1. Offering a bribe

*A Sales Agent offers a 'kickback' to a Customer, such that if the Customer contact uses his or her position to ensure that a new contract is awarded to AJW, the Agent offers to share his or commission with the Customer contact.*

*You offer a potential customer tickets to a rugby match on condition that AJW is shortlisted in a tender/RFP process.*

Both of the above actions would be offences under the UK bribery laws (and possibly foreign bribery laws if the offer is made abroad) as the AJW representative would be making the offer to gain a commercial or contractual advantage for AJW. The company could also be found to have committed an offence (because the offer has been made in order to obtain more business for AJW).

It may also be an offence for the potential customer to accept your offer and therefore you are putting your potential customer personally at risk in making such an arrangement.

#### 2. Receiving a bribe

*A supplier gives your cousin a job but makes it clear that in return you are expected to use your influence in the company to ensure we double the business AJW does 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 if you would be doing so to gain the personal advantage of gaining a job offer for your cousin which he would not otherwise have obtained.

#### 3. Bribing a foreign official

*You arrange for the company to pay an additional payment to a foreign official to speed up an administrative process, such as clearing our parts through customs in Russia.*

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 the company. AJW as a company may also be found to have committed an offence. So called 'facilitation payments' to smooth transactions are not legal under UK law or Russian law. Therefore, the individual concerned could be open to prosecution in both countries.

## **Gifts and hospitality**

This Policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties provided it is offered in accordance with the Gifts and Corporate Hospitality Policy set out in the Staff Handbook. Please refer to this Policy for further guidance on Gifts and Corporate Hospitality.

## **What is not acceptable behaviour?**

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 other activity that might lead to a breach of this Policy.

## **Facilitation payments and kickbacks**

Facilitation payments or "kickbacks" of any kind are strictly not permitted. Facilitation payments are typically small, unofficial payments made to secure or speed up 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 AJW does business.

If you are asked to make a payment on behalf of the company, 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 Chief Financial Officer or General Counsel.

Kickbacks are typically payments made in return for a business favour or advantage. All workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us.

## **Donations**

We do not make contributions to political parties. We only make charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior approval of the Chief Financial Officer and General Counsel.

## Your responsibilities

You must ensure that you read, understand and comply with this Policy and the Gifts and Corporate Hospitality 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 workers are required to avoid any activity that might lead to, or suggest, a breach of this Policy. You must notify AJW's **General Counsel, Henry Preston**, 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, you should notify the General Counsel if a client or potential client offers you something to gain a business advantage with AJW 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 the [Schedule](#) to this Policy. Please review these and ensure you understand them.

Any employee who breaches this Policy will face disciplinary action, which could result in dismissal for gross misconduct as well as criminal prosecution. We reserve our right to terminate our contractual relationship without notice with other workers if they breach this Policy.

## Record-keeping

We must keep financial 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 in accordance with our Gifts and Corporate Hospitality Policy.

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 and circumstances of 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 or behaviour constitutes bribery or corruption, or if you have any other queries, these should be raised with Legal in the first instance. Concerns should be reported to the General Counsel in the Legal Department.

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

It is important that you tell your line manager, the General Counsel or the Chief Financial Officer 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.

## 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.

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 Human Resources Department 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 Staff Handbook.

## Training and communication

Training on this Policy forms part of the induction process for all new workers. All existing workers will receive 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 and business partners 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 General Counsel, the Chief Financial Officer and the Legal Department have 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.

## Monitoring and review of the Policy

The General Counsel and the Chairman will monitor the effectiveness and review the implementation of this Policy, regularly considering its suitability, adequacy and effectiveness. Internal control systems and procedures will be subject to audit to provide assurance that they are effective in countering bribery and corruption.

All workers are responsible for the success of this Policy and should ensure they use it to disclose any suspected danger or wrongdoing.

This Policy does not form part of any employee's contract of employment and it may be amended at any time.

## Schedule: Potential risk scenarios: "red flags"

The following is a list of possible "red flags" that may arise during the course of your engagement by the company 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.

*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.*

**If you encounter any of these red flags while working for us, you must report them promptly to the General Counsel or the Chief Financial Officer:**

- 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 which have not been approved in the usual manner 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 AJW;
- n) you are offered an unusually generous gift or offered unusually lavish hospitality by a third party.

**Any questions on this Policy Document should be addressed to the Legal Department ([legal@ajw-group.com](mailto:legal@ajw-group.com)).**