

## GROUP ANTI-BRIBERY & CORRUPTION POLICY

### INTRODUCTION

Castings plc and its group companies (“Castings”) are committed to ethical business, financial probity and reliability.

Castings has a zero tolerance policy in respect of improper or criminal behaviours. Castings will never authorise or condone the direct and indirect offering, payment gift or receipt of any improper financial or other advantage (“bribery”) in respect of Company business. The consequence of Company or staff involvement in bribery is not limited to breaches of law. Over and above the commission of any crime, any involvement in bribery will adversely affect the Company’s image and reputation with our clients and in the marketplace.

All employees, officers and anyone performing services for or on our behalf must comply with this policy. Failure to comply in every respect could lead to disciplinary action up to and including termination.

### BACKGROUND

The Bribery Act 2010 (the “Act”) exposes Castings, its directors, managers, employees and workers to liability that could result in:

- Individuals being jailed for up to 10 years and/or receiving an unlimited fine;
- Castings receiving a criminal conviction and an unlimited fine;
- Any Castings director convicted of a bribery offence could be disqualified from holding a director position for up to 15 years;
- The goodwill and reputation of Castings and its clients being damaged.

This policy has been adopted by the Board of Castings plc. Castings will avoid working with organisations who do not commit to doing business without bribery.

The purpose of this policy is to set out the steps which Castings will take to reduce the bribery and corruption risks to its business, namely:

- Setting out a clear anti-bribery policy to prevent corruption and bribery and communicating it to all group employees so that they can recognise red flags and take appropriate action;
- Encouraging directors, managers, employees and workers to be vigilant and to report any suspicions of bribery, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately;
- Monitoring and rigorously investigating instances of alleged bribery;
- Taking firm and vigorous action against any individual(s) involved in bribery;
- The Company will assist the police and other appropriate authorities in any resultant prosecution.

## **SCOPE**

### **WHO DOES THE POLICY APPLY TO?**

This policy applies to all levels and grades of staff including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, sub-contractors, trainees, seconded staff, home-workers, part-time and fixed term workers, casual workers and agency staff (collectively referred to as “workers” in this policy) as well as organisations or other third parties who act for or on behalf of Castings.

More specifically, certain employees will be expected to sign confirmation that they have read and understood the policy. This will be the responsibility of each local managing director in accordance with the policy guidelines.

In this policy, third party means any individual or organisation that employees come into contact with during the course of their 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.

### **PREVENTION, DETECTION & REPORTING**

Prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all individuals associated with Castings. This includes the following:

- Directors and employees;
- Consultants to Castings;
- Organisations who act for/on behalf of Castings to conduct Castings business.

### **POLICY STATEMENT**

Castings prohibits the direct or indirect offering, giving, solicitation or acceptance of any bribe, whether cash or other inducement or advantage, to or from any person or company, wherever they are situated, whether such person is a public official or body, private person or company, any individual working at Castings who meets with the requirements of the above paragraph or any organisation or third party acting on Castings’ behalf in order to gain any commercial, contractual, regulatory or other advantage for Castings in a way which is unethical or in order to gain any personal advantage, pecuniary or otherwise, for any individual working at Castings or anyone connected with that individual.

For the avoidance of doubt, this policy also prohibits bribery by way of any financial or other advantage given as a reward for improper behaviour or breach of duties.

Castings expects individuals to take action where fraudulent or corrupt acts are suspected.

Decisions as to what might be seen as an improper advantage may not always be easy. If anyone is in doubt as to whether a potential act constitutes bribery, the matter should be referred to their local Managing Director.

## **EMPLOYEE, MANAGEMENT & BOARD RESPONSIBILITY**

The prevention, detection and reporting of bribery is the responsibility of all individuals working for Castings as well as local directors and Board members throughout Castings.

## **POLICY IMPLEMENTATION & MAINTENANCE**

Castings has assessed the overall corruption risk which the business faces as being low – medium, taking into account the following:

- The sector in which Castings operates;
- The country of location of business with which Castings transacts;
- The non-complex nature of transactions;
- The reduced business risk associated with the relatively low value individual projects; and
- The simple business partnership nature of transactions with customers and suppliers.

It is the responsibility of each employee to read this document and ensure that they have understood its content, or to seek further information from their local Managing Director if necessary.

Each local Managing Director must confirm to the Chief Executive Officer that the policy has been distributed to their team members and all employees' queries for further information have been dealt with.

## **MONITORING & REVIEW**

Each employee must disclose to their local Managing Director and known violations of this policy.

The purpose of this policy is to:

- Set out the Board's responsibilities, and of those working for us, in observing and upholding Castings' commitment to stamping out bribery and corruption; and
- Provide information and guidance to those working for Castings on how to recognise and deal with bribery and corruption red flags.

## **WHAT IS A BRIBE?**

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory, monetary and financial or other personal advantage.

A kickback is a payment made in return for the award of a contract. Kickbacks are commonly funded by the recipient agreeing to an inflated contract price to take account of the improper payment to be made to the decision maker.

## **OFFENCES**

The Bribery Act 2010 (the “Act”) provides the following general offences and a new strict liability corporate offence applicable to any commercial organisation whose systems and processes have failed to prevent bribery by those acting on their behalf:

- 1) Bribing another by way of a direct or indirect offer, promise or giving of a financial or other advantage (active bribery);
- 2) Being bribed by a direct or indirect request, agreement to receipt or acceptance of a financial or other advantage (passive bribery);
- 3) Directly or indirectly bribing a foreign public official to obtain or retain business or an advantage (by way of offer, or promise) in the conduct of business, unless the official is permitted under the written law of the relevant country to be so influenced;
- 4) Failing to prevent bribery by an associated person (intent to obtain or retain business or a business advantage in the conduct of business for the organisation).

A person associated with the organisation is defined as a person who performs services for or on behalf of Castings, such as an employee, agent, subsidiary or directly appointed sub-consultant or affiliate. In accordance with Ministry of Justice guidance obtained in July 2011, this does not include property management contracts or facilities management suppliers and contractors who serve the client and not Castings.

## **EXTRA JURISDICTIONAL EFFECT**

The Act provides that English courts will have jurisdiction over the offences listed at 1-3 above where they have been committed in the United Kingdom (UK) and outside the UK where the person committing them has a close connection with the UK by virtue of being a British national or ordinary resident in the UK, a body incorporated in the UK or a Scottish partnership.

In relation to the offences set out above, acts of bribery committed by anyone in the UK or overseas, or by a British citizen or any other person with a close connection with the UK can be prosecuted. English courts will therefore have jurisdiction over any UK incorporated entity and any overseas entity (wherever incorporated) that carries on a business or part of a business in the UK.

## **GIFTS & HOSPITALITY**

Neither the law nor this policy prohibits normal and appropriate corporate hospitality. It can sometimes be difficult to decide what is appropriate in respect of gifts and hospitality. If in doubt, further information should be sought from the local Managing Director.

## **FACILITATION PAYMENTS**

Facilitation payments are small, unofficial payments made to secure or expedite a routine government action by a government official. Facilitation payments are not commonly paid in the UK, but may be common in some other jurisdictions. Castings does not authorise or make facilitation payments of any kind.

## **DONATIONS**

The main Executive Board does not make contributions to political parties, but may support charitable donations. All charitable donations are subject to ratification and sign-off by the Chief Executive Officer. No charitable donation must be offered or made without the prior review and approval of the Chief Executive Officer.

## **RECORD KEEPING**

In accordance with UK legal and regulatory practices, Castings is required to keep financial records and have appropriate internal controls in place to evidence that gifts or promotional expenditure are reasonable, proportionate and made in good faith. The Act does not intend to criminalise bona fide hospitality or promotional expenditure that aims to improve Castings' image or establish cordial relations.

The Financial Director of each Castings company must ensure that all claims relating to hospitality, gifts or expenses incurred to third parties record and evidence the written reason for the reimbursement within the claim form.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers or 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.

## **PROTECTION**

Individuals working at Castings who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, could be worried about possible repercussions. The Board encourages openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. The Board is 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 it is believed that a person has suffered any such

treatment, they should make a report in accordance with the Whistleblowing Policy. If the matter is not remedied and the person is an employee, they should raise their concern formally by using a Castings Grievance Procedure.

## **TRAINING & IMPLEMENTATION**

Employees will also be required to communicate Castings' zero-tolerance approach to bribery and corruption to all suppliers, subcontractors and business partners at the outset of our business relationship with them.

## **WHO IS RESPONSIBLE FOR THE POLICY?**

The Board has overall responsibility for ensuring this policy complies with legal and ethical obligations and that all individuals working for Castings (under Castings' control) comply with the policy provisions.

Directors shall be responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it. All individuals working at Castings are also responsible for the success of this policy and should ensure they take steps to raise a concern to disclose any suspected danger or wrongdoing. All individuals are invited to comment on this policy and suggest ways in which it might be improved.

This policy forms parts of the employee's contract of employment and it may be amended at any time.

## **AUTHORISATION**

Signed:   
**Adam Vicary**  
Chief Executive Officer

Dated: 01.05.2019

Castings plc, Lichfield Road, Brownhills, Walsall, West Midlands, WS8 6JZ, UK.

# **THE BRIBARY ACT**

## **WHAT EMPLOYEES NEED TO KNOW**

### **1) Your Responsibilities**

You must ensure that you read, understand and comply with this policy. If you have any questions, raise these with your local Managing Director.

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all individuals working for Castings to avoid activity that might lead to, or suggest, a breach of the law or this policy.

Active prevention, reporting and review means that YOU as an individual, as well as others acting for Castings must:

- Refuse to make or receive bribes;
- Refuse to accept facilitation payments;
- Disclose to the Managing Director or a divisional head, any attempted bribery, suspicious activity or risks to the business;
- As a last resort contact the Chief Executive Officer or Chairman of Castings with your concerns.

### **2) What is Not Acceptable?**

It is not acceptable for you (or someone acting on your behalf) to:

- Directly or indirectly 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 in order to obtain business or an advantage in business, including 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;
- Engage in any activity that might lead to a breach of this policy; or
- Commit or fail to report acts (otherwise identified as “red flags”) that may indicate bribery or corruption.

### **3) Look Out for Red Flags**

The following is a list of possible red flags that may arise during the course of you working for 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. If you encounter any of these red flags whilst working for the Company, you must report the concerns to your local Managing Director.

- a) You become aware that a third party engages in, or has been accused of engaging in, improper or unethical 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 or UK government officials, including planning officers;
- c) A third party insists on receiving a commission or fee payment before committing to sign up to a contract with the Company, or carrying out a government function or process for the Company or requests an unexpected additional fee or commission to “facilitate” a service;
- d) A third party requests payment in cash;
- 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 demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- g) A third party requests that a payment is made to “overlook” potential legal violations;
- h) A third party requests that you provide some form of advantage to a friend or relative. Advantage can mean an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory, monetary, financial or personal advantage.
- i) You receive an invoice from a third party that appears to be non-standard or customised;
- j) A third party insists on the use of side letters or refuses to agree to anti-corruption compliance terms and conditions or to put terms agreed in writing;
- k) You notice that the Company has been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- l) You receive a request for commission which is larger than set out in the relevant Company contract;
- 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 Company;
- n) You are offered an unusually generous gift or offered lavish hospitality by a third party;
- o) You receive a payment request to be made in the name of someone who is different from the entity named in the relevant Company contract;
- p) You receive a request for backdating of documents;
- q) You personally think or have a feeling that a situation is not transparent and might include improper payments, e.g. where certain parties are involved in a deal whose role is unclear, or where decision making appears to be illogical or un-commercial.

#### **4) What to do if you Receive a Request for an Improper Payment**

Your on-the-spot decisions are crucial to the Company’s continued commitment to anti-corruption compliance. If you are asked to make a payment on Castings’ 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. If you believe that the payment requested may be improper you should:

- a) Refuse to make the payment and explain that the Company's policies do not permit such payments; and
- b) Immediately report the incident to your local Managing Director or to the Chief Executive Officer of the Group and await instructions.

If you suspect that an improper payment might have been made, you should report your suspicions to the Managing Director.

## **5) 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 other queries, you should report your concerns by following the procedure set out in the Whistleblowing Policy.

## **6) Monitoring & Review**

Each employee must disclose to their local Managing Director or the Chief Executive Officer of the group any known violations of this Policy.