



STANDARD PROCEDURE

Business Ethics Policy

The Martin Group of Companies is committed to conducting its business legally, fairly, honestly, and with integrity and probity. This is essential if we are to build and retain effective relationships with our customers, employees, partners, suppliers and the wider community. Our long-term success and growth depend upon this.

All employees are required to conduct themselves in a professional manner. They will act considerately, responsibly, decently and with due regard to the dignity and rights of others in both business and personal dealings.

In particular we will:-

- Develop a culture where responsible and ethical behaviour is seen as an essential and integral part of our day-to-day activity
- Maintain and demand high professional standards, honour our commitments, and act consistently with integrity, care and diligence
- Communicate in an open and honest manner, while fully recognising the confidentiality and sensitivity of some information in our possession
- Build and protect the trust and confidence of all those who work with us, by listening to and respecting their reasonable convictions and interests
- Demand honesty and require everyone to avoid conflicts of interest and, where they do occur, to openly declare them
- Encourage all employees to report any activity which seems to them to be in breach of this policy. Any person so reporting can do so without fear of reprisal providing that the report has been made in good faith and not made with the aim of personal gain
- Ensure that our business activities are conducted in such a way as not to adversely affect the environment
- The Company explicitly prohibits the use of “blacklists” in the selection of potential personnel

The Bribery Act 2010

The Bribery Act 2010 came into force on 1st July 2011. The Act was introduced to replace existing law and now also targets overseas corruption by organisations that have a connection with the UK. It applies to UK and international organisations and also UK individuals.

The Act sets out two general offences of bribing and being bribed, which are committed when someone:

- offers, promises or gives another person a bribe
- requests, agrees to receive or accepts a bribe

A bribe is described as the provision of a financial or other advantage in connection with a person performing a function “improperly”.

Failure of commercial organisations to prevent bribery

Under section seven of the Act, an organisation will be liable if a person associated with it bribes another person intending to obtain or retain business, or an advantage in the conduct of business for the organisation.

An associated person could be an employee, agent, contractor, sub-contractor or supplier acting on behalf of the organisation.

Penalties

The penalties for breaching the provisions of the Act are severe with convictions carrying unlimited fines for businesses; and up to 10 years’ imprisonment and unlimited fines for individuals.

The Group and its Directors are committed to the prevention of bribery by those employed and associated with it. The Group is committed to carrying out business fairly, honestly and openly, with zero-tolerance towards bribery.

Offering bribes

The Group expressly prohibits any person employed by or associated with it from offering, promising or giving any financial or other advantage to another person where it is intended that the advantage will bring about improper performance by another person of a relevant function or activity, or that the advantage will reward such improper performance.

The Group prohibits any person employed by or associated with it from offering, promising or giving any financial or other advantage to another person where it is believed that the acceptance of the advantage offered, promised or given in itself constitutes the improper performance of a relevant function or activity.

Accepting bribes

The Group expressly prohibits any person employed by or associated with it from requesting, agreeing to receive or receiving any financial or other advantage with the

intention that a relevant function should be performed improperly as a result of the advantage or as a reward for performing the relevant function improperly.

The improper performance of a relevant function in anticipation of receiving financial or other advantage is also prohibited.

Bribing a public official

The Group expressly prohibits the bribing of a UK or foreign public official in order to obtain or retain business or an advantage in the conduct of business.

Relevant functions and activities

Relevant functions and activities are any function of a public nature, any activity connected with the business, any activity performed in the course of a person's employment and activity performed by or on behalf of a body of persons where the person performing that function or activity is expected to perform it impartially, in good faith, or is in a position of trust by virtue of performing it.

Hospitality and business gifts

The Bribery Act 2010 does not seek to prohibit **reasonable and proportionate** hospitality, advertising, sponsorship and promotional or other similar business expenditure, as it is recognised that this constitutes an established and important part of doing business.

However, hospitality, promotional and similar business expenditure can be used as bribes.

The following procedures should be adopted in relation to hospitality and business gifts.

1. A record of all business gifts made and received and the reason for the gift should be retained.
2. All hospitality must be proportionate and reasonable and in line with the organisation's hospitality policy. Guidance should be sought from the anti-bribery officer as to whether the planned hospitality is proportionate and reasonable.
3. Records should be maintained of all hospitality provided and accepted, including cost and reason for providing or accepting the hospitality.
4. Cash gifts are expressly prohibited.
5. The provision or acceptance of entertainment of a sexual nature is expressly prohibited.
6. Acceptable hospitality and entertaining may include modest meals with people with whom we do business (such as providing a modest lunch after a meeting) or the

occasional provision of or attendance at sporting or cultural events, provided that the intention is to build business relationships rather than to receive or confer an advantage.

7. The provision of small promotional gifts, such as diaries, pens or similar, will generally be regarded as acceptable.
8. Staff reviewing expense claims should be alert to the provision of hospitality/business gifts that may be construed as a bribe.
9. All concerns should be reported.

New business and contracts with external parties

Where employees develop or seek to develop new avenues for business or new contracts, or where the nature of the business changes, you should inform your line manager of this in order that due diligence and a risk assessment of the circumstances can be undertaken.

Where a business relationship with an external party is sought or newly established, or the nature of the relationship is changed, appropriate due diligence must be exercised to ensure that there are no circumstances giving rise to a concern. That external party must also be made aware of this anti-bribery policy.

Facilitation payments

Facilitation payments are small bribes that are paid to speed up or facilitate government action. Although they are commonplace in some foreign countries, they are regarded as bribes and are illegal under the Bribery Act 2010.

The Group expressly prohibits facilitation payments of any sort.

Any member of staff placed under pressure to make a facilitation payment should refer the matter to their Line Manager immediately. Anyone who has concerns regarding acts or potential acts of bribery should speak to their Line Manager in the first instance. If for any reason a person is not able to speak to his or her Line Manager, he or she should contact their Director – in confidence.

Donations

The Group expressly prohibits the giving of donations to political parties and expressly prohibits the making of charitable donations where the purpose of the donation is to secure an advantage. All charitable donations must be made without expectation of reward.

Reporting concerns

All members of staff have a responsibility to prevent, detect and report all instances of bribery. Staff should therefore be alert to the possibility of bribery.

Further information about reporting concerns is available in the Group's Whistle Blowing policy.

Training and communication

All staff will receive training on the anti-bribery policy to ensure that they understand both the policy and the procedures that they need to follow in order to comply with it.

All staff are expected to familiarise themselves with the anti-bribery policy and to sign a copy of the policy to confirm that they have read and understood it.

Changes to the policy and procedures will be communicated to staff in an appropriate manner and usually in writing.

Sanctions

The Group treats breaches of the anti-bribery policy with maximum seriousness and will investigate any potential breach in accordance with the disciplinary policy. The ultimate sanction for a breach of the policy will be summary dismissal for gross misconduct.



Harold W Martin
Chairman