



FILTRONA GROUP

ANTI-BRIBERY & CORRUPTION POLICY

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1. INTRODUCTION

1.1 Overview

Filtrona Group (“Company”) is committed to doing business the right way, to continually earn the trust of customers, stakeholders and the wider marketplace. In accordance with the Company **Ethics Code**, the **Executive Leadership Team** (“ELT”) expect all employees – and anyone carrying out work on behalf the Company – to maintain the highest standards of ethical business conduct and personal behaviour at all times, and to act safely, honestly, responsibly, lawfully and with integrity.

Bribery and corruption offences present serious risks for every business. Breaches of bribery and corruption laws can lead to **unlimited fines** for companies and **imprisonment** for individuals. The enforcement of bribery and corruption laws in many countries is increasingly stringent and encompasses activities undertaken by a company through its employees or third parties acting on its behalf across various international jurisdictions.

The Company does not engage in or tolerate any form of bribery or corruption.

The purpose of this Policy is to set out the Company’s position on bribery and corruption and provide guidance to employees on the prevention, detection and reporting of bribery and corruption.

1.2 Scope

This **Anti-Bribery & Corruption Policy** (“Policy”) applies to every employee (which for these purposes includes temporary or contract employees) and their connected persons and extends to all business dealings in all international jurisdictions within which the Company conducts business. For the purposes of this Policy, **“connected persons”** includes an employee’s family members such as spouse or civil partner, anyone living as a partner in an enduring family relationship, children, step children and parents.

In addition, it is very important that employees take steps to ensure that the terms of this Policy are complied with by third party service suppliers (which for these purposes includes consultants, agents, brokers, lobbyists, lawyers, tax advisers and other professionals) acting on the Company’s behalf as the Company may incur criminal or civil liability where such service providers make unlawful payments or use illegal, unethical or improper means in the course of their work on behalf of the Company.

This Policy should be implemented in conjunction with the Company’s **Ethics Code, Conflict of Interests Policy, Gifts & Entertainment Policy** and **Agency Compliance Policy**.

2. LEGAL REQUIREMENTS

The **UK Bribery Act** (the “Bribery Act”) created three criminal offences to capture the actual acts of bribery:

- (1) the offence of **bribing another individual**;
- (2) the offence of **being bribed**; and
- (3) the offence of **bribing a foreign public official**.



Filtrona Group, its directors, officers and employees could all face prosecution for a breach of the Bribery Act. Importantly, the provisions of the Bribery Act **extend to actions which take place outside of the UK** and a bribe will still be an offence under the Bribery Act if it is committed overseas, irrespective of whether it would be illegal under local law, therefore a commercial organisation can also commit an offence under the Bribery Act for **failing to prevent bribery**.

In addition to the Bribery Act, the Company **respects all laws relevant to countering bribery and corruption in all the jurisdictions** in which the Company operates, particularly laws that are directly relevant to specific or local business practices. It is the responsibility of every employee to ensure that its business practices in individual jurisdictions complies with all local requirements and appropriate legal advice should be sought as necessary.

The **US Foreign Corrupt Practices Act (“FCPA”)** shares many similarities with the Bribery Act, including its **extra-territorial reach**, and there is an increasing global trend for countries to enact and robustly enforce similar legislation designed to eliminate bribery and corruption.

Bribery or corruption can be defined as the **offering, promising, giving, accepting or soliciting** by a person (Person A) of an advantage as an inducement for an action by a person (Person B) which is illegal or a breach of trust. Bribery generally involves paying or offering to pay money or something of value to someone in business or in the public sector in order to obtain or retain a commercial advantage or to induce or reward the recipient for acting improperly.

2.1 Forms of Bribery and Corruption

The most prevalent forms of bribery and corruption stem from:

- payments to a company’s employees or their connected persons, or to those of a third party, to secure advantage in business transactions;
- political contributions made to secure advantage in business transactions;
- charitable sponsorships used to secure advantage in business transactions;
- facilitation payments made to secure or accelerate routine or necessary business actions. (**Facilitation payments** are typically payments made to low-level government officials in countries with pervasive corruption problems and are generally made in order to expedite or secure the performance of routine government action, such as the issuing of permits, licences or consents or releasing goods held in customs. Facilitation payments are bribes as they induce a person to give preferential treatment, or to refrain from or perform a task improperly and the payment is intended to influence the person and obtain or retain an advantage in the conduct of business);
- kickbacks or other illegal commissions offered or received in return for an illicit favour or service. (A **kickback** can be described as an illegal payment made in return for an undue favour or service rendered. A kickback is a bribe and the offer or receipt of any kickback, secret commission or similar payment is a criminal offence);
- gifts, hospitality and expenses payments made to secure advantage in business transactions;
- provision of favours to public officials other than through normal business conduct procedures;
- uncompensated use of company services, facilities or property; and
- provision of training and associated travel, accommodation and living costs to public officials.



2.2 Prohibitions

The Company **prohibits** all employees (whether acting in their own capacity or on the Company's behalf) from:

- offering, promising, giving, paying or authorising, directly or indirectly, any bribe, facilitation payments or kickbacks to or for the benefit of any person (whether in private or public office) in order to obtain any improper business advantage or other advantage for the Company or themselves or any of their connected persons;
- soliciting, accepting or receiving (whether for the Company's benefit, their own benefit or the benefit of any connected persons) any bribe, facilitation payments or kickbacks from any person (whether in private or public office) in return for any improper business or other advantage;
- otherwise using illegal, unethical or improper means (including bribes, favours, blackmail, financial payments, inducements, secret commissions or other rewards) to influence the actions of others (whether in private or public office);
- acting as an intermediary for any third party (private or public) in the solicitation, acceptance, receipt, offering, promising, giving, paying or authorising of any bribe, facilitation payments or kickbacks or otherwise in the use of illegal, unethical and improper means to influence the actions of others (whether in private or public office);
- making of direct or indirect contributions to political parties; and
- the use of contracts or consulting agreements to channel improper payments through agents or other intermediaries to third parties (whether private or public).

2.3 Exceptional Circumstances

The Company recognises that in exceptional circumstances the health, safety and security of employees faced with a demand for a facilitation payment may be at risk and employees should refer to the **Filtrona Group Facilitation Payments Policy** for advice on the steps to be taken in such exceptional circumstances.

2.4 Exceptions

The Company does **not prohibit the making of direct or indirect contributions to charities**, but advises that caution should be exercised to ensure that charities are not being used as cover for political purposes or the channeling of improper payments to public officials or to other third parties for unethical purposes.

2.4 Key Summary

- a bribe does not have to be cash. It can be any non-cash benefit such as the offer of tickets to sporting event or the use of holiday accommodation;
- the person who receives the bribe is as guilty as the person who offers it even if it is unsolicited;
- a bribe will still be an offence under UK or US laws if it is committed overseas, irrespective of whether it would be illegal under local law; and
- bribery is a criminal offence.

If any employee has any concerns regarding any form of proposed conduct or arrangement which they are asked to participate in or are otherwise exposed to, they must seek further guidance from



their Line Manager or legal advice or raise the matter in accordance with the Company's "**Right to Speak**" Policy.

3. **BOOKS AND RECORDS**

The integrity of the accounting records of the Company is essential. All receipts and expenditures must be prepared and maintained with strict accuracy and completeness, supported by documents that accurately and properly describe all dealings with third parties.

The falsification of any book, record or account of the Company and the submission of any false personal expense statement or claim for reimbursement of a non-business personal expense is prohibited.

No accounts or payments must be kept '**off book**' to facilitate or conceal any dealings with third parties, improper or otherwise.

4. **COMPLIANCE**

All employees are required to comply with this Policy, and are personally responsible for doing so. Employees must certify their compliance with the terms of this Policy on at least an annual basis.

From time to time, the Company may require you to take mandatory training in relation to the terms of this Policy. You must ensure that you complete this training as required.

If any employee believes that the terms of this Policy are not being correctly observed, it is their responsibility to raise any concerns with their Line Manager. If employees feel that they need to raise the issue outside of their immediate working environment at any time, the Company has put in place, through an independent third party, the '**Filtrona Group EthicsPoint Helpline**'. This is a confidential call centre manned 24 hours a day by appropriately trained, local language speaking individuals, and the relevant telephone numbers are displayed at each Filtrona Group business location.

Alternatively, employees can submit a report through the '**Filtrona Group EthicsPoint Portal**' and file a confidential concern. The Company is committed to ensuring that employees feel able to raise concerns openly and in good faith under the 'Right to Speak' Policy, without fear of reprisal or retaliation, and with the support the Company.

Failure to observe the terms of this Policy – or to cooperate fully with any investigation by the Company into alleged or suspected breaches – may result in any employee's conduct being subject to review. In the most serious cases, such review may potentially lead to the termination of their employment and/or result in personal criminal or civil liability.



Version Control:

No./Version	Revisions	Effective Date	Owner	Approver	Status
001	Updated policy in the name of the Filtrona Group	1 st Jan 2023	Shahid Ali	Patrick Meredith	Approved