

# Anti-Bribery and Corruption Policy Iss 1



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## Introduction

Whoever we may deal with, and wherever we may operate, we are committed to doing so lawfully, ethically and with integrity. As part of this commitment, all forms of bribery and corruption are deemed unacceptable and will not be tolerated. We must not, and we must ensure that any third party acting on our behalf does not, act corruptly in our dealings with any other person.

This anti-bribery and corruption policy set's out Active Electronics policies to prevent acts of bribery and corruption. These policies and procedures have been designed to comply with legislation governing bribery and corruption on a global basis.

This policy provides guidance on the standards of behaviour to which we must all adhere and most of these reflect the common sense and good business practices that we all work to in any event. This policy is designed to help you to identify when something is prohibited so that bribery and corruption is avoided, and provide you with help and guidance if you are unsure about whether there is a problem and if you need further advice.

## **Who this policy applies to:-**

The fundamental standards of integrity under which we operate do not vary depending on where we work or who we are dealing with. This policy applies to all Active Electronics (hereafter referred to as the company) management, employees (full and part time) and temporary workers (such as consultants or contractors) (together referred to as “employees” in this document) across the group no matter where they are located or what they do. It is the responsibility of each of us to ensure that we comply with these standards in our daily working lives. This policy sets out a single standard that all employees must comply with, regardless of whether local law or practices might permit something to the contrary.

Part of the company’s commitment to prevent bribery and corruption is to ensure that the people acting on our behalf also do so in compliance with effective anti-bribery and corruption policies. Accordingly, where we engage third parties such as agents, distributors or joint venture partners, we have an obligation to complete sufficient due diligence prior to entering into arrangements with them, to ensure that they are not acting corruptly, and to periodically monitor their performance to ensure ongoing compliance. In short, if we can’t do it, neither can they.

Failure to comply with this policy, whether or not this is intentional, may lead to disciplinary action (up to and including dismissal), and criminal liability for the individual involved (up to and including imprisonment). Employees will be required to confirm that they have read and understood the policy and that they will comply with its terms as part of their ongoing employment. In addition, relevant employees will be required to attend training to support the guidance in this policy.

## Getting help

If you are unsure about your obligations under this policy, you should contact one of the following people for help:

- the Financial Officer.  
Active Electronics Plc  
Unit 6 The Valley Centre  
Gordon Road  
High Wycombe  
Bucks. U.K.

Tel: +44 (0) 1494 441414

Email: [michael.wellington@active-electronics.co.uk](mailto:michael.wellington@active-electronics.co.uk)

## What is bribery?

Bribery involves the following:

- When a financial or other advantage is offered, given or promised to another person with the intention to induce or reward them or another person to perform their responsibilities or duties improperly (it does not have to be the person to whom the bribe is offered that acts improperly); or
- When a financial or other advantage is requested, agreed to be received or accepted by another person with the intention of inducing or rewarding them or another person to perform their responsibilities or duties inappropriately (it does not have to be the person who receives the bribe that acts improperly).

It does not matter whether the bribe is:

- Given or received directly or through a third party (such as someone acting on the company's behalf, for example an agent, distributor, supplier, joint venture partner or other intermediary); or
- For the benefit of the recipient or some other person.

Bribes can take many forms, for example:

- Money (or cash equivalent such as shares);
- Unreasonable gifts, entertainment or hospitality;
- Kickbacks;
- Unwarranted rebates or excessive commissions (e.g. to sales agents or marketing agents);
- Unwarranted allowances or expenses;
- “Facilitation” payments/payments made to perform their normal job more quickly and/or prioritise a particular customer;
- Political/charitable contributions;
- Uncompensated use of company services or facilities; or
- Anything else of value.

This policy applies to both the public and private sectors. Dealing with public officials poses a particular high risk in relation to bribery and corruption and specific guidance for dealing with public officials is contained within this policy.

A breach of bribery laws can result in fines for both the company and the individual involved and, in some jurisdictions, could also result in imprisonment.

## How do I know if something is a bribe?

In most circumstances, common sense will determine when a bribe is being offered. However, here are some questions you should ask yourself if in doubt:

- Am I being asked to pay something or provide any other benefit over and above the cost of the services being performed, for an example an excessive commission, a lavish gift, a kickback or make a contribution to charity or political organisation?
- Am I being asked to make a payment for services to someone other than the service provider?
- Are the hospitality or gifts I am giving or receiving reasonable and justified? Would I be embarrassed to disclose them?
- When a payment or other benefit is being offered or received, do I know or suspect it is to induce or reward favourable treatment, to undermine an impartial decision-making process or to persuade someone to do something that would not be in the proper performance of their job?

# **Policies and procedures**

## **General prohibition**

All forms of bribery and corruption are prohibited. We will not tolerate any act of bribery or corruption. Any breach of this policy or local law could result in disciplinary action being taken and ultimately could result in dismissal.

A bribe does not actually have to take place - just promising to give a bribe or agreeing to receive one is prohibited.

Bribery is prohibited when dealing with any person whether they are in the public or private sector and the provisions of this policy are of general application. However, many countries have specific controls regarding dealing with public officials and this policy includes specific requirements in these circumstances.

## **Gifts, hospitality and expenses**

Giving or receiving gifts or hospitality is often an important part of maintaining and developing business relationships. However, all gifts and hospitality should be for a genuine purpose, reasonable, proportionate given in the ordinary course of business and should comply with the Active Electronics Business Expenses Policy and local laws/ particularly the UK Bribery Act 2010.



Lavish or unreasonable gifts or hospitality, whether these are given or received, are unacceptable as they can create the impression that we are trying to obtain or receive favourable business treatment by providing individuals with personal benefits. In addition, gifts and hospitality can themselves be considered a bribe. Be careful to avoid even the appearance that the giving or acceptance of gifts or hospitality might influence the decisions you take on behalf of the company.

## **Facilitation payments**

Facilitation payments are any payments, no matter how small, given to an official to increase the speed at which they do their job. For example, this could include speeding up customs clearance.

Although facilitation payments are permitted by some jurisdictions (eg US, etc), they are not lawful under the UK Bribery Act 2010

All facilitation payments are prohibited. However, your safety is our primary concern and we understand that there may be circumstances in which you have no alternative but to make a facilitation payment in order to protect against loss of life, limb or liberty. Any request for a facilitation payment should be reported to the Financial Controller/Managing Director.

## **Agent, distributors, suppliers and joint venture partners**

The company could be liable for the acts of people that act on our behalf.

This includes agents, distributors, suppliers and joint venture partners (together referred to as “third parties”). As such we are committed to promoting compliance with effective anti-bribery and corruption policies by all third parties acting on behalf of the company.

You must not engage any third party who you know or reasonably suspect of engaging in bribery.

Appropriate due diligence should be undertaken before any third parties are engaged. The appropriate level of due diligence will vary depending on the circumstances and you should use your judgement on a case by case basis. Questions you should be asking yourself include:

- Who are they – have I seen documents evidencing that they are who they say they are?
- Who else have they worked with – do they have references?
- Are they well established with a good reputation or are they more obscure so that I need to do more to find out about them?
- Do they operate in a territory where bribery is prevalent?
- Are they happy to sign a contract agreeing to comply with anti-bribery procedures? Do they have their own anti-bribery programme?
- Have I done basic searches such as Google searches, business directory searches, etc?

- Are there inconsistencies between the provider of the services and the person I am paying?
- Are commissions/payments in line with generally accepted market practice?

Some high-risk transactions will require further due diligence which may require independent investigation. Employees will be provided with helpful guidance where appropriate from the Managing Director / Financial Controller to support the due diligence process.

Entering into any joint venture arrangement without prior approval from Senior Management is strictly prohibited.

All payments and commissions to third parties must:

- Be made in accordance with the local policies relevant in your business as set by your line manager;
- Be made via bank transfer through the accounts payable system and be fully accounted for;
- Must be in line with generally accepted rates and business practice for the service in question and should not be unjustifiably excessive or unsupported; and
- Must be made in accordance with the terms of the contract with the person or company providing the services.

If you have any concerns that arrangements with a third party are not in accordance with this policy, you should ask line manager or supervisor for help.

## Dealing with public officials

Although this policy applies to both public and private sectors, dealing with public officials poses a particularly high risk in relation to bribery due to the strict rules and regulations in many countries.

Public officials include those in government departments, but also employees of government owned or controlled commercial enterprises, international organisations, political parties and political candidates.

The provision of money or anything else of value, no matter how small, to any public official for the purpose of influencing them in their official capacity is prohibited.

The prior approval of the Financial Controller/Managing Director is required in relation to:

- Any payment in respect of fees, salary or commission (this does not include official fees);
- Gifts and hospitality; and
- Making charitable contributions in connection with dealings with a public official.

In addition, many public officials have their own rules regarding the acceptance of gifts and hospitality, etc, and we must respect these rules where applicable.

For avoidance of doubt the company's policy is that political donations from or on behalf of the company are strictly prohibited.

## Compliance with the policy

It is the responsibility of the Financial Controller to ensure compliance with this policy throughout the group. Ultimate responsibility for compliance with this policy throughout the group is taken by the Managing Director. However, each of us has an obligation to act with integrity and to ensure that we understand and comply with the policy. Ongoing compliance will be monitored and all employees are required to report any actual or suspected instances of corruption or bribery to Senior Management.

Training will be provided to relevant employees throughout the company to support them in complying with their responsibilities. If you are not selected for training but believe that it is relevant for you then please ask your line manager/supervisor for further training. All employees are required to confirm that they have understood and complied with the policy.

## Whistleblowing

The company is committed to ensuring that employees can speak up with confidence if they have any concerns or need to ask for help. If you suspect or observe anything that you think might be in contravention of this policy, you have an obligation to report it. You should raise your concerns with the Financial Controller, HR Representative, Senior Management, MD or Owner in the first instance. Alternatively, you can report your concerns under the Whistleblowing Policy.

The company will not tolerate retaliation in any form against anyone for raising concerns or reporting what they genuinely believe to be improper, unethical or inappropriate behaviour. All reports will be treated confidentially.

### Agreement

All company employees, contractors or temporary staff are required to sign this agreement confirming their understanding and acceptance of this policy.

I confirm that I have read and agree to this policy: -

Signed..... Date.....

Printed.....

