

ANTI-CORRUPTION AND BRIBERY POLICY



POLICY STATEMENT

It is Avon Protection's policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships.

We uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate, including the U.K. Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act 1977.

PURPOSE

Bribery is a criminal offence. Individuals found guilty of bribery can be punished by up to ten years' imprisonment and/or a fine. As an employer if we fail to prevent bribery we can face an unlimited fine, exclusion from tendering for public contracts, and damage to our reputation. We therefore take our legal responsibilities very seriously. 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 and to provide guidance on recognising and dealing with bribery and corruption.

WHO MUST COMPLY WITH THIS POLICY?

This policy applies to all persons working for us or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives, business partners, sponsors, suppliers or any other person associated with us anywhere in the world.

WHAT IS BRIBERY AND CORRUPTION?

A bribe can come in many forms, it does not necessarily have to be of large value and may not be in the form of cash. A bribe includes any direct or indirect payment, benefit or gift offered, given or received with the purpose of improperly influencing a decision or outcome.

Corruption is the abuse of entrusted power or position for private gain.

APPLICATION OF THIS POLICY

All forms of bribery and corruption are prohibited. Anyone associated with the Avon Protection Group must not seek, accept or give a bribe, facilitation payment, kickback or other improper payment. We must also always ensure that we operate with appropriate transparency in all our business dealings.

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 or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;
- accept a payment, gift or hospitality from a third party that you know or suspect is offered with the expectation that we will provide a business advantage for them or anyone else in return;
- accept hospitality from a third party that is unduly lavish or extravagant under the circumstances;
- offer or accept a gift to or from government officials or representatives, or politicians or political parties, without the prior approval of your manager or the Company Secretary;
- threaten or retaliate against another individual 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.

RECORD-KEEPING

We must keep accurate financial records and have appropriate internal controls in place to evidence the business reason for making payments to third parties.

You must declare and keep a written record of all hospitality or gifts given or received, which will be subject to managerial review. Save for token gifts with a value of less than £50/\$80, or corporate hospitality with a value of less than £150/\$250 per person, all gifts/hospitality which are proposed to be made or accepted should be signed off in advance by senior management and recorded in the Gifts and Hospitality Register.

You must submit all expenses claims relating to hospitality, gifts or payments to third parties in accordance with our expenses policy and record the reason for expenditure.

All accounts, invoices, and other records relating to dealings with third parties including suppliers and customers should be prepared with strict accuracy and completeness. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

YOUR RESPONSIBILITIES

You must ensure that you read, understand and comply with this 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. You are required to avoid any activity that might lead to, or suggest, a breach of this policy.

You must notify your manager or the Company Secretary 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, if a customer or potential customer offers you something to gain a business advantage with us, 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 below.

This policy does not form part of any employee's contract of employment and we may amend it at any time.

HOW TO RAISE A CONCERN

You are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage.

If you are offered a bribe, or are asked to make one, or if you believe or suspect that any bribery, corruption or other breach of this policy has occurred or may occur, you must notify your manager or the Company Secretary as soon as possible.

If you are unsure about whether a particular act constitutes bribery or corruption, raise it with your manager or report it confidentially through the 'Speak Up' facility on Atlas.

PROTECTION

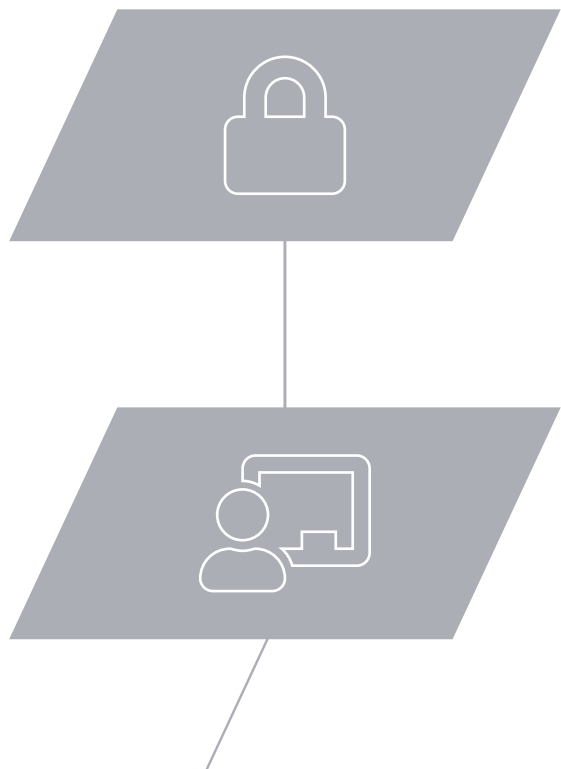
Individuals who refuse to accept or offer a bribe, or who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

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 Company Secretary immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Policy, which can be found on SharePoint.

TRAINING AND COMMUNICATION

Training on this policy forms part of the induction process for all individuals who work for us, and training will be provided as necessary.

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.



BREACHES OF THIS POLICY

There are no exceptions to this policy. Any employee who breaches this policy, whether this is intentional or not will face disciplinary action (up to and including dismissal) and criminal liability for the individual involved (up to and including imprisonment).

We may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

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 Company Secretary has primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries about it, and auditing internal control systems and procedures to ensure they are effective in countering bribery and corruption.

Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it.

EXAMPLES:

OFFERING A BRIBE

You offer a potential customer tickets to a major sporting event, but only if they agree to do business with us.

This would be an offence as you are making the offer to gain a commercial and contractual advantage. Avon may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential customer to accept your offer.

RECEIVING A BRIBE

A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in our organisation to ensure we continue to do business 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 as you would be doing so to gain a personal advantage.

BRIBING A FOREIGN OFFICIAL

You arrange for the business to pay an additional "facilitation" payment to a foreign official to speed up an administrative process, such as clearing our goods through customs.

The offence of bribing a foreign public official is committed as soon as the offer is made. This is because it is made to gain a business advantage for us. Avon Protection may also be found to have committed an offence.



WE HAVE IDENTIFIED THE FOLLOWING AS RISKS FOR OUR BUSINESS:

RISK

Business involving overseas collaborations, agents, distributors, consultants, joint ventures and intermediaries.

We work with a large network of agents, distributors, consultants and intermediaries across the world, often in territories where the perceived risk of corruption is high. The use of agents is a recognised business model, however it is accepted that agents have been used as a channel to pay bribes both by corrupt companies and corrupt officials.

Before appointing an agent/distributor, thorough due diligence must be carried out initially by the regional sales manager responsible for the appointment taking into account: experience, background, reputation and references.

The legal department will carry out further due diligence checks, including a search of the denied parties list and allocating a risk rating to the territory where the agent is based.

The legal department may instruct additional due diligence by a third party where it is considered appropriate.

All intermediaries must have a written agreement in place before they carry out any work on our behalf.

All agents must sign an agency or distribution agreement containing anti-bribery and corruption commitments, which the legal department will provide.

Commission payments are capped at 10%, any commission over this level must be signed off in advance by the Board.

MITIGATION

RISK

Making any payments or providing any benefits for national or foreign government, public sector officials or politicians or political parties.

Dealing with public officials poses a particularly high risk in relation to bribery due to the strict rules and regulations in many countries. These payments can be used to exert improper influence on decision makers. 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.

Always exercise caution in dealings with government and public officials, customs' officers and employees of state-owned or controlled businesses to avoid any suggestion of impropriety. The offer or acceptance of a gift to or from government officials or representatives, or politicians or political parties is prohibited without prior approval from your manager or the Company Secretary.

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 example, where the customer is the U.S. Federal Government, the law provides that the value of any single gift or meal may not exceed \$20 per incident or \$50 to any individual, in a year.

MITIGATION

RISK

Payment for hospitality, promotional offers, travel accommodation, expenses or gifts exceeding our allowable limits (£50/\$80 for gifts, £150/\$250 for corporate hospitality).

Gifts, such as cash, presents, political or charitable donations and hospitality, for example, meals, hotels, invitations to arts and sporting events, can be used as bribes. They are considered bribes when they are given or received with the intention of influencing business decisions. Generally, the more lavish the hospitality and the higher the expenditure, the greater the inference that it is intended to influence the official to grant a business advantage.

This policy allows reasonable and appropriate hospitality or entertainment given to or received from third parties, for the purposes of:

- establishing or maintaining good business relationships;
- improving or maintaining our image or reputation; or
- marketing or presenting our products and/or services effectively.

The giving and accepting of gifts is allowed if the following requirements are met:

It is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;

- it is given in our name, not in your name;
- it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- it is appropriate in the circumstances, taking account of the reason for the gift, its timing and value. For example, in the U.K. it is customary for small gifts to be given at Christmas;
- it is given openly, not secretly;
- it complies with any applicable local law

Reimbursing a third party's expenses, or accepting an offer to reimburse our expenses (for example, the costs of attending a business meeting) would not usually amount to bribery. However, a payment in excess of genuine and reasonable business expenses (such as the cost of an extended hotel stay) is not acceptable.

We appreciate that practice varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift, hospitality or payment is reasonable and justifiable. The intention behind it should always be considered.

Gifts with a value over £50/\$80, or corporate hospitality with a value of more than £150/\$250 which are proposed to be made or accepted should be signed off in advance by senior management and recorded in the Gifts and Hospitality Register on Atlas.

It is good practice to record all gifts/hospitality that you have been offered, even if they are declined, to ensure transparency if impropriety is alleged.

MITIGATION

RISK

Small bribes paid to facilitate routine or necessary action (for example by a government official) – otherwise called ‘facilitation payments’

We do not make, and will not accept, facilitation payments or “kickbacks” of any kind. Facilitation payments, also known as “back-handers” or “grease payments”, are typically small, unofficial payments made to secure or expedite a routine or necessary action (for example by a government official). They are not common in the U.K., but are common in some other jurisdictions in which we operate.

The firm will not tolerate or excuse such payments being made.

If you are asked to make a payment on our 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.

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 your manager and the Company Secretary.

MITIGATION

RISK

Making political or charitable donations of any kind.

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 following the Charitable Giving Policy and obtaining the necessary consents.

MITIGATION



TO ADDRESS THESE RISKS WE HAVE:

Implemented an anti-bribery and corruption policy;

Undertaken a risk assessment exercise, which will be subject to on-going review;

Prepared standard clauses relating to bribery issues for inclusion in key contractual documentation.

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 customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

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 a charity or political organisation?
- 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?



POTENTIAL RISK SCENARIOS: "RED FLAGS"

The following is a list of possible red flags that may arise during the course of you working for us and 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 while working for us, you must report them promptly to your manager or to the Company Secretary or any of the key contacts listed in the Code of Conduct:

- you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- 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;
- 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;
- 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;
- a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- a third party requests an unexpected additional fee or commission to "facilitate" a service;
- a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- a third party requests that a payment is made to "overlook" potential legal violations;
- a third party requests that you provide employment or some other advantage to a friend or relative;
- you receive an invoice from a third party that appears to be non-standard or customised;
- a third party insists on the use of side letters or refuses to put terms agreed in writing;
- you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- 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 us; or
- you are offered an unusually generous gift or offered lavish hospitality by a third party.

You are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Company Secretary.

FREQUENTLY ASKED QUESTIONS



THE FOLLOWING SCENARIOS ARE ILLUSTRATIVE ONLY.

- Q1. WHAT SHOULD I DO IF I THINK AN AGENT IS PASSING ON MONEY TO A THIRD PARTY?**
- A. You should report this to your manager and the Company Secretary. It is vital that we keep clear records of the issue. Such activity would be against this policy, the standards set out in Avon Protection's Code of Conduct, and may also be illegal.
- Q2. CAN I GIVE AND RECEIVE ADDITIONAL CASH PAYMENTS, IF I AM INFORMED THAT IT IS STANDARD PRACTICE TO DO SO?**
- A. If you are being requested to do this, you should report this to your manager and the Company Secretary immediately. Payments should not be made to public officials in connection with their role or function unless the local law provides in writing for a payment to be made and payments are properly documented (through invoices and receipts).
- Q3. A GOVERNMENT OFFICIAL HAS ASKED FOR A MODEST FACILITATION PAYMENT TO BE MADE – CAN I DO THIS?**
- A. No. Avon Protection's policy prohibits all facilitation payments. Facilitation payments are illegal in many jurisdictions and can amount to bribery. If you are asked to make such a payment you should report this to your manager and the Company Secretary immediately.
- Q4. A CONTACT HAS ASKED THAT WE PROVIDE AN INTERNSHIP FOR THEIR SON AND HAS SUGGESTED THAT THEY MAY PURCHASE SERVICES FROM US IN EXCHANGE – CAN I DO THIS?**
- A. If providing an internship is intended to obtain a business advantage, it will be a bribe and will not be permitted. Note that a bribe does not have to be financial. If you are unsure you should contact your manager and the Company Secretary.
- Q5. A PUBLIC OFFICIAL HAS REQUESTED THAT AVON PROTECTION MAKE A DONATION TOWARDS A LOCAL SCIENCE FESTIVAL. WHAT SHOULD I DO?**
- A. You will need to follow the Charitable Giving Policy and obtain the relevant consents before you agree to make a donation. If the donation is made with the intent of securing a business advantage for Avon Protection or is connected to a specific arrangement or agreement between Avon Protection and the public authority, then this will be prohibited. If approval is given, adequate documentation and records of the donation will need to be obtained and the donation must be made to the appropriate body.
- Q6. I WANT TO ASK A CUSTOMER TO ATTEND A RUGBY MATCH. CAN I DO THIS?**
- A. Corporate hospitality that is reasonable and proportionate is fine and asking a customer to an event of this nature is likely to be acceptable. However, the context of the hospitality must be considered. If the hospitality is intended to influence a customer to give us a business advantage, then it would not be appropriate to offer it. When in doubt, please ask your manager or the Company Secretary.