

Applicable to <i>(Group/company/specific groups of staff /third parties)</i>	All Group Companies and Staff
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Staff responsible for revision <i>(Job title/s)</i>	Head of PLC Operations, GC and Company Secretary
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**THIS POLICY APPLIES TO ALL EMPLOYEES OF THE
HENRY BOOT PLC GROUP OF COMPANIES
(‘the Group’)**

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1. Introduction – The importance of this Policy

1.1 Henry Boot PLC and its subsidiary companies ('the Group') values its longstanding reputation for ethical behaviour and integrity. Conducting business with a zero tolerance approach to all forms of corruption is central to these values, the Group's image and reputation. This policy sets out the standards expected of all Group (not only PLC) employees in relation to anti-bribery and corruption. In particular, all employees must adhere strictly to relevant UK laws in this area, in particular the Bribery Act 2010.

The content of this Policy must remain proportionate to the risks faced, and will be reviewed at least annually and revised and reassessed where appropriate.

This is the third revision.

Employees must:

- be aware of this Policy;
- ensure they understand the Policy and raise questions if any aspect of it is at all unclear;
- follow the Policy both to the letter and in spirit.

1.2 What does this mean?

Always ask yourself if your behaviour or actions are ones that you would feel comfortable explaining to your family or reading about in a national newspaper.

The Policy is also relevant to third parties who perform services for or on behalf of the Group. The Group expects those persons to adhere to this Policy or have in place equivalent policies and procedures to combat bribery and corruption. The Policy should be read in the context of a number of other measures that the Group has in place to ensure there is effective communication about anti-corruption issues in connection with its business. These include:

- providing training to employees on anti-bribery issues;
- communicating with persons and companies associated with the Group to set out the Group's approach to anti-corruption;
- additional steps to encourage all employees to be vigilant and to report any suspicion of bribery or corruption. In this regard, the Group promotes a number of channels of communication for employees to raise concerns as follows:
 - Head of PLC Operations, GC and Company Secretary
 - Head of HRor
 - our Whistleblowing helpline (Tel: 0800 374199) (see our Whistleblowing Policy for further details)
 - the dedicated Speak Out e-mail address
- ensuring that any concerns are investigated thoroughly and any employee making a report in good faith shall suffer no detriment from doing so.

1.3 The Group will take firm action against any individuals or other parties that it discovers are involved in bribery or corruption. Any breach of the Policy by employees will result in disciplinary action under the Gross Misconduct provisions of the Group's Disciplinary and Dismissal Procedures which can include the sanction of summary dismissal in any case where an employee has been found to

have given or received a bribe.

- 1.4 Failure by any employee to report instances of bribery or corrupt activity by other persons can also result in disciplinary sanctions, especially where there is evidence that an employee has attempted to cover up or disguise another's wrongdoing.

2. The Policy

- 2.1 The Group has a zero tolerance approach to bribery, and will take appropriate and proportionate steps to ensure that:

- we do not directly or indirectly become involved in bribery;
- we do not give into demands or requests that amount to bribery;
- we act with honesty and transparency in all our dealings with others;
- we promote employee awareness of the Policy and offer training where needed;
- we continue to introduce and monitor management control systems, which assist in enforcing the Policy;
- we raise awareness of the risks of bribery and of our zero tolerance approach.

- 2.2 It is a criminal offence to offer, promise or give a bribe or to request, agree to receive or accept a bribe. A bribe does not need to be a monetary sum. It can be any form of advantage. A contract does not need to have been won for a bribery or corruption offence to have been committed. Similarly, a recipient does not need to benefit personally from a bribe. Bribery can occur in the private and public sector.

- 2.3 The Group operates under the following principles:

- we engage and remunerate agents and other third parties only for legitimate services;
- we operate a robust Gifts & Hospitality Policy (Pol.3) in addition to this Policy;
- we promote employee awareness of, and compliance with, company policies against bribery and corruption through appropriate dissemination of our own procedures (including disciplinary procedures), policies and training programmes on induction and subsequently;
- we adopt management control systems that discourage bribery and corruption, and adopt financial and tax accounting and auditing practices that prevent the establishment of "off the books" secret accounts or the creation of documents which do not properly and fairly record the transactions to which they relate;
- we do not make illegal or inappropriate contributions to candidates for public office or to political parties or to other political organisations;
- we raise awareness of the need to combat bribery and corruption with our business partners and support initiatives designed to reduce the risks of it;
- we publish (and update as appropriate) guidance notes in support of this Policy and provide ad hoc advice whenever requested;
- we operate in accordance with the Company's Values.

- 2.4 All offers of hospitality and gifts either given or received must be recorded at subsidiary or Group function level in a register maintained by the subsidiary Managing Director or Head of each Group Function. Such registers, together with any associated reports, must be submitted half-yearly to the Group Finance Director as part of the Internal Controls reporting procedure and thence to the

Henry Boot PLC Audit Committee.

2.5 Any gift above £10 in value to be provided to a public official must also be approved in advance by the Head of PLC Operations, GC and Company Secretary.

2.6 The Policy consists of two straightforward rules that all employees must adhere strictly to:

- do not offer, promise or give bribes; and
- do not request, agree to or accept bribes.

2.7 The risks of corruption are not always obvious. Accordingly, these simple requirements should be followed:

- do not make payments or offer inducements (including gifts or hospitality) to someone (or favour them in any other way) if you know that this will encourage or lead to any misuse of their position or improper performance of their function;
- do not misuse your position (or perform your functions improperly) by seeking or accepting payments or other favours for yourself or others;
- do not deliberately use any reward or advantage to try to influence foreign public officials for business reasons. If you need to promote the Group's business with a foreign public official, always check in advance with the Group General Counsel.

3. Seeking further guidance

3.1 Inevitably, deciding what is acceptable may not always be easy. We have published a Guidance Note to assist in the understanding (and interpretation) of the Policy and each person's obligations under it. The separate Gifts & Hospitality Policy (Pol.3) should also be consulted where relevant. If any employee is in doubt as to whether a potential act could give rise to bribery or corruption concerns, the matter should be referred immediately to a Director or Group Department Head with responsibility for this Policy before proceeding. If necessary, guidance should also be sought from either Group Legal or Group HR.

4. Sponsorship, charitable and political donations

4.1 All Sponsorship and donations made on behalf of the Group must be approved in advance by the Chief Executive Officer.

5. Facilitation payments

5.1 Facilitation payments are regarded as bribes under the Bribery Act 2010, are illegal and are prohibited by this Policy. They are typically small unofficial payments paid to speed up an administrative process or secure a routine government action by an official and are most frequently encountered in foreign jurisdictions with perceived high corruption risks.

5.2 Where an employee (or someone acting on behalf of the Group) suspects a demand for a payment is a request for a facilitation payment, this must be reported immediately to the Head of PLC Operations, GC and Company Secretary.

6. Record keeping

6.1 The Group must keep accurate financial and other records and have appropriate internal controls in place which will evidence the business reason for making payments to any third parties (such as anyone who provides services for or on behalf of the Group). Employees must apply the principles contained in this Policy to all aspects of their work.

7. Responsibilities

- 7.1 Employees must read, understand and comply with this Policy.
- 7.2 The Group Board has overall responsibility for ensuring this Policy complies with the Group's legal and ethical obligations and to ensure everyone in the Group complies with it.
- 7.3 The Head of PLC Operations, GC and Company Secretary has primary responsibility for implementing this Policy and monitoring its effectiveness.
- 7.4 Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this Policy and are given adequate and regular training on it.

J.T. SUTCLIFFE
Chief Executive Officer
Henry Boot PLC
January 2018