

Legal, Risk & Governance

ESSENTRA ANTI- BRIBERY & CORRUPTION POLICY

Anti-Bribery & Corruption Policy

Essentra plc, together with its affiliates and subsidiaries (“Essentra”), is committed to doing business the right way, to continually earn the trust of customers, other stakeholders and the wider marketplace. In accordance with the Essentra Ethics Code, the Board of Directors and the Group Management Committee expect all employees – and anyone carrying out work on behalf Essentra – 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.

In support of this commitment, and consistent with its Six Principles, Essentra seeks to maintain a culture of openness and accountability, so that prompt action can be taken to address any illegal or unethical conduct involving anyone working for or on behalf of Essentra. Attitudes or activities that amount to a breach of law or trust, or otherwise fall below the highest standards of ethical business conduct and personal behaviour will not be tolerated. It is the responsibility of all Essentra employees to ensure that they report any infringement or suspected infringement of legal or regulatory requirements or the highest standards of ethical business conduct involving Essentra to their Line Manager or otherwise in accordance with the Essentra ‘Right to Speak’ Policy.

Introduction

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.

Scope

This Policy (“Policy”) applies to Essentra and 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 Essentra 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 Essentra’s behalf as Essentra 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 Essentra.

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

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

Policy

Essentra does not engage in or tolerate any form of bribery or corruption. It is contrary to this Policy for any employee or third party acting on behalf of Essentra to engage in any conduct which may constitute bribery or corruption.

The Bribery Act 2010 (the "Bribery Act") is the key UK statute regarding bribery and corruption. The Act was introduced to demonstrate the commitment of the UK Government to eradicate bribery and corruption in UK-based business organisations. Broadly, the Act creates three offences to capture the actual acts of bribery:

- i. the offence of bribing another individual;
- ii. the offence of being bribed; and
- iii. the offence of bribing a foreign public official.

A commercial organisation can also commit an offence under the Act for failing to prevent bribery.

Essentra, its 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.

In addition to the Bribery Act, Essentra respects all laws relevant to countering bribery and corruption in all the jurisdictions in which Essentra operates, particularly laws that are directly relevant to specific or local business practices. It is the responsibility of every employee and business within Essentra 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 1977 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. Corruption can also take place where the offer or payment is made by or through a third party (Person C). In each case, all of Persons A, B and C, as well as any other persons who were complicit in the offence, may be guilty 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. A contractual rebate, discount or refund for bulk purchasing would not normally fall within the definition of a kickback;
- 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.

The Ethics Code details Essentra's commitment to ensuring that its business is conducted in all respects according to the highest standards of ethical business conduct and avoids any conduct which may constitute bribery or corruption.

Essentra prohibits employees (whether acting in their own capacity or on Essentra'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 Essentra or themselves or any of their connected persons;
- soliciting, accepting or receiving (whether for Essentra'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); and
- 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).

Essentra 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 Essentra's Facilitation Payments - Threats to Health, Safety and Security Guidance for advice on the steps to be taken in such exceptional circumstances.

Remember:

- i. 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;
- ii. the person who receives the bribe is as guilty as the person who offers it even if it is unsolicited; and
- iii. a bribe will still be an offence under UK law if it is committed overseas, irrespective of whether it would be illegal under local law iv. bribery is a criminal offence.

The Conflict of Interests Policy reflects Essentra's commitment to ensuring its employees avoid any activities that might lead to, or suggest, a conflict of interest with the business of the Company.

The Gifts & Entertainment Policy reflects Essentra's commitment to ensuring that the acceptance or offering of gifts and entertainment is reasonable and appropriate and subject to managerial review.

The Agency Compliance Policy reflects Essentra's commitment to ensuring that third party service providers acting on Essentra's behalf conduct their business in all respects according to the highest standards of ethical business conduct and avoid any conduct which may constitute bribery or corruption.

Essentra prohibits the use of contracts or consulting agreements to channel improper payments through agents or other intermediaries to third parties (whether private or public).

Essentra prohibits the making of direct or indirect contributions to political parties.

Essentra 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 channelling of improper payments to public officials or to other third parties for unethical purposes.

Essentra will not authorise or be a party to any illegal, unethical or improper payments or benefits in kind in circumstances where a third party could reasonably perceive that their purpose is to win or retain business, to influence business decisions, or to secure the improper performance of a recipient's duties.

Essentra requires that its employees must comply with the specific prohibitions in this Policy and exercise common sense and judgment, having regard to the guidance in this Policy, in assessing whether any conduct or arrangement could be perceived to constitute bribery, corruption or otherwise inappropriate conduct.

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.

Books and Records

The integrity of the accounting records of Essentra 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 Essentra 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.

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, Essentra 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, Essentra has put in place, through an independent third party, the 'Essentra 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 Essentra business location.

Alternatively, employees can submit a report through the Essentra [EthicsPoint](#) portal and file a confidential concern. Essentra 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 Essentra.

Failure to observe the terms of this Policy – or to cooperate fully with any investigation by Essentra 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.