

Essentra plc 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 as well as maintaining a culture where we work collaboratively, effectively, care about each other, our customers, and we deliver on our promises. In accordance with the Essentra Ethics Code, the Board of Directors and the Group Executive Committee expect all employees – and anyone carrying out work on behalf of 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. 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 are not tolerated.

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. In the UK the Bribery Act 2010 (the "Bribery Act") was introduced to demonstrate the commitment of the UK Government to eradicate bribery and corruption in UK-based business organisations. Broadly, the Act legislates against three offences:

- i. bribery of another individual;
- ii. accepting a bribe; and
- iii. bribery of a foreign public official. An 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 comply 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.

Activities which are inherently prone to higher levels of bribery and corruption include:

- 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;
- kickbacks or other illegal commissions offered or received in return for an illicit favour or service;
- 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.

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.

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);
- 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);
- using contracts or consulting agreements to channel improper payments through agents or other intermediaries to third parties (whether private or public);
- the making of direct or indirect contributions to political parties; and
- authorising or being 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 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 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 - Health, Safety and Security Guidance (see Appendix 1 below) for advice on the steps to be taken in such exceptional circumstances.

This Policy is complemented by the Essentra Ethics Code, Conflict of Interests Policy, Gifts & Entertainment Policy and Agency Compliance Policy.

All employees should take note that:

- 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;
- 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; and
- iv. bribery is a criminal offence.

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

It is the responsibility of all Essentra employees to comply with this Policy. Any suspected infringements of legal, regulatory or ethical business requirements must be reported to line management, or employees can follow the whistleblowing guidance detailed in the Essentra Right to Speak Policy. Employees can file a concern in confidence by either calling the 'Essentra EthicsPoint Helpline' or submit a report via the Essentra [EthicsPoint](#) portal. The helpline and portal are operated by an independent third party.

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 an 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.

Appendix 1: Facilitation Payments – Health, Safety and Security Guidance

Resisting demands for Facilitation Payments

Employees should use common sense and act with honesty and integrity in resisting any demands for a facilitation payment.

A reasonable and responsible response by any employee to a demand for a facilitation payment should have regard to the following key steps:

- Use negotiation skills and remain calm despite provocation or harassment.
- Inform the person making the demand that such payments are prohibited by Essentra in accordance with the requirements of UK law and that you could face disciplinary action and lose your job if you agree to pay.
- Advise the person making the demand that details of the payment (including how much was paid to whom and for what purpose) will have to be recorded and reported both locally and in the UK.
- Explain that you will need an official receipt including all the payment details.
- If payment continues to be demanded, seek to speak with the supervisor or manager of the person making the demand.
- If a request to speak with the supervisor or manager is refused, or the supervisor or manager also demands payment, and the employee reasonably concludes that there is no alternative but to make the payment in order to ensure their health, safety and security, then the payment may be made and a request for an official receipt made.
- So far as reasonably practicable in the circumstances, employees should seek to discuss any demand for a facilitation payment with their line manager and the options available in order to resist the demand prior to making any payment.

If Facilitation Payments are made

If, despite taking reasonable and responsible steps to actively resist any demands, a facilitation payment is made in order to ensure their health, safety and security, then the employee must:

- Prepare a detailed note of the circumstances and the conversations relating the facilitation payment which took place.
- Report the incident to their line manager who will be responsible for advising the Regional Managing Director as soon as possible.
- The payment and all the relevant details should be recorded in a Facilitation Payments Register maintained by the Regional Managing Director and properly recorded in the books and records of the Company as a facilitation payment.
- The Regional Managing Director is responsible for reviewing any facilitation payments with the Company Secretary such that the Company can consider whether it is appropriate to report the incident to the authorities in the UK or in the country where the payment took place and whether it is necessary to take any further legal advice or action.