




CMTG HR POLICY AND PROCEDURE NO. 024

ETHICAL BUSINESS CONDUCT AND ANTI-CORRUPTION POLICY

Author: Sarah Reeves

Signature: 

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Approved by: Rachel Allen

Signature: 

Date: 29th March 2023

Approved by: Douglas Graham

Signature: 

Date: 29th March 2023



1.0 Scope

This policy applies to all UK CMTG Companies and its employees.

The purpose of this policy is to establish and promote good ethical practice. Specifically, it aims to provide a set of principles designed to support a culture where excellence is encouraged and key elements such as effective leadership, openness, accountability and honesty are maintained and enhanced.

As a result of the industries in which the Group operates, both suppliers and customers expect us to set high ethical standards that are international in scope and which are consistently applied.

The Group recognises that operating to the highest ethical standards benefits all organisations and society as a whole, and creates a healthy working environment.

This procedure summarises the ethical standards and guidelines of the Group.

2.0 Ethics

The Group strongly believes that good ethics is good business. In referring to 'ethics', we are talking about relationships built upon trust and integrity, and doing what is right for the Group, its employees, customers, suppliers and shareholders.

At its simplest, ethics is a system of moral principles which affects how people make decisions and lead their lives, and is concerned with what is good for individuals and society.

The Group's commitment to ethical business practices supports its commitment to quality and total customer satisfaction. Furthermore, the Group promotes a working environment of open communications where fair and honest decisions and actions are encouraged and supported.

3.0 Responsibility of Employees

All employees have a fundamental responsibility to act in the best interests of the Group whilst ensuring that their conduct is of the highest ethical standard. The success of the Group depends on the integrity and judgment of its employees.

Employees' judgment must be free from influences that could lead to decisions or actions that are not in the Group's best interests.

Employees constantly encounter situations every day that test their ability to make ethical decisions. This includes decisions about recording of work time, use of Group supplies and equipment, software copying, expense reporting, communications with competitors, and relations with suppliers - all can give rise to both legal and ethical situations.



Employees who recognise their responsibility to make ethically sound decisions at work and know the resources available to them are better prepared to handle serious situations that might put themselves, or the Group, at risk.

No employee of the Group or any of its trading subsidiaries, acting on the Groups's behalf shall offer or make directly or indirectly through any other person or firm, any payment of anything of value (in the form of compensation, gift, contribution or otherwise) except those with a nominal value of less than £20.00 given during periods of festivity or in the normal course of business (promotional material, conferences, exhibitions etc.) which must be fully accounted for and permitted by law, to:

- any person or firm employed by or acting for or on behalf of any customer, for the purpose of inducing or rewarding any favourable action by the customer in any commercial transaction;
- any governmental entity, for the purpose of inducing or rewarding action (or withholding of action) by a governmental entity in any governmental matter;
- any governmental official, political party or official of such party, or any candidate for political office, for the purpose of inducing or rewarding favourable action (or withholding of action) or the exercise of influence by such official, party or candidate in any commercial transaction or in any governmental matter.

All employees are required to avoid any activities that might lead to, or suggest, a conflict of interest with the business of the Group or any of its trading subsidiaries. Employees must declare and keep a record of hospitality or gifts accepted or offered with a value in excess of £10.00, which will be subject to managerial review. Gifts or entertainment for business purposes which are accepted must not be material or frequent and it is a key requirement that gifts or entertaining should not be given or received on such a scale that they form an inducement to do business which may not otherwise be undertaken.

4.0 Responsibility of the Group

The Group and its trading subsidiaries undertakes to:

- fully comply with all anti-bribery laws applicable and with particular emphasis on the Bribery Act 2010 and the 1997 OECD Convention;
- establish and enforce policies and internal control procedures that prohibit the Group, its employees and directors from offering, promising or providing – directly or indirectly – any improper advantage, and to conduct training on such policies and procedures as necessary

The Group will not offer, promise or provide any financial or other advantage (e.g. payment, gifts, hospitality) to public officials, political parties or political candidates, or to any private party in order to obtain or retain business or gain any other improper advantage in the conduct of its business except as permitted by law.



Additionally, the Group shall duly account for payments, gifts, hospitality, political contributions or charitable donations in its accounts and records in compliance with applicable accounting standards and in a manner which permits reasonable traceability.

This policy is not intended to prevent the communication of Company views to legislators, governmental agencies, or to the general public with respect to existing or proposed legislation or governmental policies or practices affecting business operations. Moreover, under this policy, reasonable costs incurred by the Group and its trading subsidiaries to establish or administer political action or activities organised to solicit voluntary political contributions from individual employees are not regarded as contributions to political parties or candidates, where such costs may lawfully be incurred by the Group.

In utilising consultants, agents, sales representatives or others, the Group will employ only reputable, qualified individuals or firms under compensation arrangements which are reasonable in relation to the services performed. The Group will issue, from time to time, criteria and procedures to be utilised in international transactions with respect to the selection and compensation of advisors.

Remuneration shall reflect legitimate services effectively rendered and shall be based on the most objective elements possible. No payments shall be made in cash and all payments shall be properly recorded in the Company's books and records.

The Group shall make advisors aware of its policy to establish and promote good ethical practice and shall require advisors to comply at all times with the provisions mentioned within this policy, and more specifically that no part of any payment originating from the Group will be passed on as a bribe.

The Group and each of its trading subsidiaries shall follow all applicable laws, regulations and directives concerning the employment or engagement of public officials, including those dealing with conflicts of interest.

The Group will maintain policies to address or mitigate the risk of undue or improper conflicts of interest.

The Group and its trading subsidiaries shall keep proprietary information of third parties to which they have gained access in accordance with the terms of its disclosure and in strict compliance with all applicable laws and regulations. Should the Group receive third party proprietary information without authorisation it shall: 1) promptly cease dissemination and review of such information; 2) promptly destroy or return such information; and 3) inform the third party of the incident and its response.

The Group will not solicit or accept a third party's proprietary information (whether provided by a customer or otherwise), such as bid and proposal information, or technical or price data, unless the owner of the data has agreed to its release.



5.0 Anti-Corruption and the Bribery Act 2010

Bribery and corruption is, unfortunately, a feature of corporate and public life in many countries across the world. Governments, businesses and non-governmental organisations are actively working together to tackle the issue and this has been strengthened by the implementation of the Bribery Act 2010.

The Group does not tolerate any form of bribery and corruption, and is committed to acting responsibly wherever it operates in the world and to engaging with its stakeholders to manage the social, environmental and ethical impact of its activities in the different markets in which it operates.

The Group does not engage in bribery or any form of unethical inducement or payment, including facilitation payments and 'kickbacks'. Furthermore, the Group and its trading subsidiaries will uphold laws relevant to countering bribery and corruption in all the jurisdictions in which it operates, particularly laws that are directly relevant to specific business practices. The following national and international laws and conventions underpin this policy:

- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997)
- Foreign Corrupt Practices Act (US)
- OECD Guidelines for Multinational Enterprises – Combating Bribery
- UN Global Compact – Principle 10 (Anti-Corruption)
- Extractive Industries Transparency Initiative
- Bribery Act 2010

The Group will ensure that appropriate risk assessments and internal controls are in place and establish feedback mechanisms in order to maintain accurate records which properly and fairly reflect all financial transactions. Internal control systems, including risk assessments where appropriate, will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

6.0 Reporting Violations

CMTG is serious about its ethical standards and its reputation as a global organisation operating with international integrity.

All employees have a responsibility to inform management immediately of potential violations of Group policy. Management can then investigate the situation and take action, if necessary. Ethical situations that are not addressed early can lead to more serious problems for the Group, its trading subsidiaries, employees, customers, or suppliers. Failure to report violations may constitute a breach of policy.

Any employee who is requested to engage in any activity which is or may be contrary to this policy will promptly report such information to the Manager to whom the individual reports,



or, if the employee was so directed by the Manager, then to the Group Managing Director or Group Finance Director.

Any employee who acquires information that gives rise to the belief that any other employee is engaged in conduct forbidden by the policy will promptly report such information to the Manager to whom the employee reports, or, if the Manager is engaged in such conduct, then to the Group Managing Director or Group Finance Director.

The Group encourages an 'open-door' policy which allows employees access to management personnel, beyond their immediate supervisor, to resolve any workplace concerns.

Any employee who violates the Group's ethical standards could be subject to disciplinary action according to Company policy. Employees should also be aware that certain violations may lead to individual prosecution.

Employees are protected under the Public Disclosure Act, which states that there can be no detrimental treatment of the individual who made the complaint and that they should not face adverse consequences for doing so.