

ANTI BRIBERY AND ANTI CORRUPTION POLICY

Policy Statement

Carmichael^{UK} is fully committed to compliance with the requirements of the Bribery Act 2010 and the Criminal Finances Act 2017 and will endeavour to ensure that it conducts its business in an honest and ethical manner at all times. The company has therefore created procedures to ensure that all employees or any other person acting on behalf of the Company are fully aware of and will abide by their duties and responsibilities under this legislation.

This policy aims to ensure compliance with anti-bribery legislation and regulations in both the United Kingdom and in any other country where the company carries out its business.

Policy Scope

All employees, contractors, consultants, and anyone else acting on behalf of Carmichael^{UK} are required to comply with this policy when dealing with job applicants, clients (prospective or current), suppliers, partners, and anyone else with whom they come into contact during their employment or engagement.

Policy Elements

It is the direct responsibility of Managing Director to ensure the implementation of this policy on a day-to-day basis. However, all employees or any other person acting on behalf of Carmichael^{UK} has a responsibility to accept their personal involvement in applying it and must:

- Comply with the Bribery Act 2010, The Criminal Finance Act 2017 and with any other anti-bribery or anti-corruption legislation that applies in any part of the world in which the company does business.
- Be familiar with this policy and ensure that it is followed by both themselves and any employee or any other person acting on behalf of Carmichael^{UK} for whom they have a responsibility.
- Act honestly and with integrity in all dealings.
- Disclose any anticipated conflict of interest which may have the potential to interfere with their loyalty or objectivity while carrying out their job.
- Notify their Line Manager of any alleged or suspected instances of bribery or corruption.
- Be aware of their obligations under current anti-bribery and anti-corruption legislation.

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Disciplinary action may be taken against any employee who acts in breach of this policy. Disciplinary action will include summary dismissal in the case of a serious breach or repeated breaches of this policy. In other cases, it may include a verbal or written warning. Disciplinary action may also be taken against any employee who makes malicious or vexatious allegations of bribery or corruption. Such action will be taken in accordance with the Carmichael^{UK} disciplinary procedure.

Consultants or contractors acting on behalf of the company who breach this policy may be subject to having their contract suspended pending investigation or terminated with immediate effect.

Breaches of the Bribery Act 2010, The Criminal Finances Act 2017, may also result in the employee, consultant, contractor or other person responsible being held personally liable, and if found guilty, subject to receiving a criminal record and up to 10 years' imprisonment.

If the company is found to have taken part in bribery or corruption or fails to implement adequate procedures to prevent bribery and corruption, it too could face criminal proceedings and an unlimited fine as well as being prevented from tendering for Government contracts.

Bribery and corruption

The company defines bribery as offering inducements, commissions, or rewards of any kind; promising or giving an advantage; or requesting or agreeing to receive or accept an advantage in any of its dealings with clients, individuals acting on behalf of clients or any other third parties.

Carmichael^{UK} (including its employees and any other person acting on its behalf) will not offer inducements, commissions, and rewards of any kind outside of the company's commission scheme; or participate in any act of bribery as defined above.

To ensure compliance, Carmichael^{UK} will:

- Forego contracts rather than be involved in offering, promising, soliciting, demanding, giving or accepting bribes in return for business / commercial advantage.
- Support employees or any other person acting on behalf of Carmichael^{UK} faced with losing a contract or sale owing to the company's refusal to become involved in bribery or corruption. No employee or any other person acting on behalf of Carmichael^{UK} will suffer demotion, penalty or any other adverse consequence for refusing to pay bribes or reporting suspected malpractice, even if such refusal/reporting results in loss of business.

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- Use its best endeavours to ensure that employees or any other person acting on behalf of the Carmichael^{UK} do not accept, request or offer any type of reward in return for a favour or favourable treatment.
- Not act improperly, offer or accept incentives, or gifts, or hospitality with the intention of persuading anyone to act improperly.
- Not make political contributions, donations or sponsorships and so avoid the perception that the intention is to gain an advantage as a direct result of the contribution, donation or sponsorship.
- Not engage a politician, former politician, or candidate for political office as a consultant under any circumstances.
- Not attempt to influence a current or former public official (i.e. an official who exercises a public function or acts on behalf of a public organisation; or anyone who holds a legislative, administrative or judicial position of any kind, whether appointed or elected) in the performance of their duties either in the United Kingdom or internationally.
- Prohibit employees or anyone working on its behalf from endeavouring to speed up a routine administrative process either directly or indirectly via a facilitation or grease payment to a public official (however small). Any request for such payments must be refused and reported immediately to the Managing Director.
- Use its best endeavours to ensure that any payments or incentives to third parties that could subsequently be construed as a bribe are recorded together with the business reason for offering or making them.
- Ensure that employees or any other person acting on behalf of Carmichael^{UK} are aware that they are expected to act honestly and within the law (including the Bribery Act 2010) and will be requested to confirm their understanding of, and compliance with this requirement in writing prior to entering into any type of business or employment relationship.
- Seek to mitigate risk of bribery through conducting a risk assessment in relation to local business conditions and customs prior to engaging in business activities outside the United Kingdom.
- Extend a zero-tolerance approach to acts of bribery and has procedures in place to identify and deal with potential irregularities that may be construed as bribery or corruption in line with current legislation.
- Co-operate fully with the appropriate authorities to investigate any allegations of bribery or corruption.

It is our objective to ensure that charitable donations, contributions, or sponsorships genuinely benefit the causes to which they are given and that funds are not misappropriated or interpreted as bribery.

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As a company we will carry out due diligence to ensure that the recipients of any donations, contributions or sponsorships are bona fide and that the funding will be used for the purpose that it is intended. We will do this by ensuring that:

- Donations are only made to registered charities or that the recipients of any other donations are researched to ensure that they are legitimate and that in the case of donations to an individual, the beneficiary is identified and approved in advance.
- An audit trail is maintained of all company donations and sponsorships to enable them to be monitored to ensure funds are being used as agreed.
- All cash donations have a full description detailing the body or person in receipt of the funding and its purpose.

Risk Management

In line with our Business Impact and Risk Management Policy, we review all risks to our processes and procedures at least annually and if appropriate, more regularly in line with legislative changes or prevailing circumstances.

We are an active member of the Recruitment & Employment Confederation (REC) and CBH; accredited by ISO 9001, ISO 14001, ISO 44001, Building Confidence, Constructionline and CHAS; and are Railway Industry Supplier Qualification Scheme audited. We also work with external consultants to ensure our policies and procedures remain up to date with legislation, regulation and best practice. This means that we identify any changes to anti-bribery legislation and keep abreast of bribery or corruption issues that impact the recruitment, engineering and construction sectors. We analyse such risks to establish if they have the potential to impact our own or our clients' business and adapt our procedures accordingly. Any changes to procedure are monitored and documented to ensure they do not have any unintended outcomes.

Conflicts of Interest, Corporate Gifts and Hospitality

Carmichael^{UK} holds the trust and confidence of those with whom it deals, including clients, suppliers and employees as fundamental to its success. Conflicts of interest potentially undermine the relationship of Carmichael^{UK} with its partners. In order to help preserve and strengthen these relationships, the Company has developed rules and guidelines concerning the conduct of its officers and employees or any other person acting on behalf of the Company aimed at minimising the possibility of conflicts of interest.

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The Bribery Act 2010 states that “genuine hospitality or similar business expenditure that is reasonable and proportionate” is not illegal and should not be counted as bribery. Employees or any other person acting on behalf of Carmichael^{UK}, however, may not accept corporate hospitality or gifts which could be considered an incentive or enticement, particularly if they have the potential to place the recipient under any obligation or if they have the potential to create any type of conflict of interest.

Employees or any other person acting on behalf of Carmichael^{UK} should also never request gifts from business contacts nor give the impression that they will unfairly favour those who provide them.

Any corporate gifts or hospitality (whether being given or received) must be disclosed to and approved by the Managing Director prior to being given or accepted. Details of such gifts including the purpose of the gift, the giver and recipient, the nature of the gift/hospitality, its value and who has approved it must be fully documented in the Gifts/Hospitality Register. This register will then be audited by the Managing Director on an annual basis. Any corporate gift must be given openly (not in secret) in the name of the company and not be construed as coming from a particular individual. Gifts should not include cash or a cash equivalents.

Corporate gifts are aimed at thanking customers or suppliers for their loyalty and custom and not as an incentive or inducement for future favourable treatment or business.

Examples of reasonable Corporate Gifts given:

- Meals under £75 per person for a client
- Gifts under £125 per person for specific event (e.g. at Christmas)

Example of Promotional gifts received:

- Gifts under the value of £75 for example stationery, chocolates, and wine.

Promotional gifts need not be disclosed but should be shared with other employees. If it is felt that any gift received might constitute an act of bribery, then the gift must be passed to the Managing Director who will return it to the donor explaining the company policy.

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Employees and anyone working on behalf of Carmichael^{UK} must also disclose any anticipated conflict of interest which may have the potential to interfere with the person's loyalty and objectivity while carrying out their job. This includes any relationships with employees or representatives of a supplier, business associate or competitor which may influence or appear to influence their business judgement. Examples of this include (but are not limited to) having a relative or close personal relationship with someone who is employed by a supplier, business associate or competitor; having a significant interest in a company that Carmichael^{UK} does business with; supervising a family member and having a second job. Any potential conflict of interest must be disclosed to the Managing Director to allow Carmichael^{UK} to establish the best course of action.

Carmichael^{UK} will operate in accordance with the policies, procedures and restrictions of its clients in relation to corporate hospitality, gifts or incentives where such information forms part of a contract or has been specified in writing to the company.

Common Indicators of Bribery and Corruption

This list (compiled by the Serious Fraud Office) is not exhaustive and the ingenuity of those involved in bribery and corruption knows no bounds. Employees, contractors, consultants and anyone else acting on behalf of the company should beware of and report:

- Any abnormal cash payments (in terms of value, method of payment, use of unusual bank accounts or via a country with whom the transaction/company has no connection).
- Pressure exerted for payments to be made urgently or ahead of schedule.
- Lavish gifts being received.
- Any individual who is secretive or insists on dealing with specific clients or suppliers themselves, even if they are ill or on holiday.
- People making unexpected or illogical business decisions.
- Missing documents or records regarding meetings or decisions.
- Company procedures or guidelines not being followed.
- Bypassing of normal tendering/sign off procedures.
- Agreeing to contracts that are clearly not favourable to the organisation.
- Invoices being agreed in excess of the contracted value without reasonable cause.
- People appearing to enjoy a lifestyle clearly outside of their earnings potential/circumstances.

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Criminal Finances Act

In line with all companies in the United Kingdom, we are required to take reasonable prevention procedures to prevent the facilitation of tax evasion either in the United Kingdom or abroad. As an employment business we have a responsibility to prevent our staff and agency workers from failing to pay the correct level of tax. We also have an obligation to ensure that we have mitigated the risks relating to agency workers engaging with payroll providers who may facilitate tax evasion or offer schemes that breach United Kingdom tax laws.

To do this, we have undertaken risk assessment of our internal processes and procedures to identify and remove any practices that could potentially be used to facilitate tax evasion. This includes:

- Ensuring that all client and supplier relationships are open, transparent and auditable.
- Reviewing contracts to ensure that clauses are in place with both employees and contractors to preclude the facilitation of tax evasion together with a requirement to report any suspicions or concerns.
- Providing employee training on identifying and preventing financial crime and ensuring they know what to look out for and report.
- Providing a clearly communicated and safe whistleblowing procedure.
- Monitoring, enforcing and reviewing prevention procedures on an ongoing basis.
- Ensuring all employees and anyone representing Carmichael^{UK} is aware of our stance on preventing the facilitation of tax evasion and understands the consequences of a breach.
- Conducting audits of umbrella / payroll providers to ensure their accounting practices are above board.
- Never paying suppliers in cash and ensuring that all payments are undertaken by way of bank transfer, credit or debit card payments or cheque to enable an audit trail.

Reporting Procedures

Carmichael^{UK} requires that employees and any other person acting on behalf of the Company reports any allegation or suspicion of bribery or malpractice immediately to Managing Director who will record details of the allegation and conduct a full investigation.

All records and supporting documentation must be collated and maintained with strict accuracy and completeness and nothing will be considered “off the record” to conceal improper payments or behaviour.

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Any disclosure employees make will be kept confidential during any investigation to the extent that it is practicable and appropriate. Carmichael^{UK} will support anyone raising a genuine concern in good faith under this policy, even if they turn out to be mistaken.

Where it is deemed appropriate a full report will be made to the relevant authorities or police.

Disclosure

Carmichael^{UK} requires any employee or any other person acting on behalf of the Company to disclose to the Managing Director prior to commencing and throughout employment / engagement or assignment with the company:

- Details of any relative or family member who is a current or former Government or public official or is a candidate for political office.
- If they have been suspended from doing business due to an allegation of fraud, misrepresentation, bribery, corruption, tax evasion, terrorism or other related activities or have been charged with any criminal act.
- If they have been found to be in breach of competition or anti-trust legislation or have been barred from bidding on any Government of public contract either in the United Kingdom or abroad.

Training

Details of this policy will be covered as part of the company induction procedure for new employees. All contractors and consultants will also be informed of this policy at the outset of any agreement/assignment. This will include informing all parties of their responsibilities and the process they should follow in the event of suspected or alleged incidence of bribery or corruption.

Any changes to this procedure are communicated to all employees, contractors and consultants in writing via email and also via training and workshops as appropriate depending on the nature of the change.

Personal Political and Charitable Donations

Whilst an employee or any other person acting on behalf of Carmichael^{UK} are of course free to make personal donations to charities and political organisations and causes that they support, employees are asked to be mindful to avoid any appearance of improperly “buying influence”, especially where this could be seen by others as connected in some way to the Company.

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Audit and Review

All reported allegations of bribery or corruption together with any ensuing investigation are documented. Any corporate gifts or hospitality with a value in excess of the values detailed in this policy will be recorded in the associated register. These documents will be internally audited on an annual basis. Furthermore, we will conduct a review of financial transactions for the period to ensure that all payments from the company are legitimate and can be accounted for. Particular attention will be directed to payments with vague or incomplete descriptions or those relating to:

- Consultants, third party sales intermediaries or vendors.
- Employee expenses.
- Licences, permits or dealings with regulatory authorities.
- Gifts, travel and corporate entertainment.
- Cash transactions and petty cash.
- Charitable donations.

Responsibilities of Carmichael^{UK}

It is the direct responsibility of the Managing Director supported by the members of the Board to ensure compliance with this policy on a day- to-day basis.

Responsibilities of Employees

All employees of Carmichael^{UK} have a responsibility to accept their personal involvement in applying this policy. They must be familiar with the policy and ensure that it is followed by themselves, and any suppliers for whom they are responsible.

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Approval & Review

This policy will be reviewed once a year to ensure continuing suitability with business requirements. As necessary additional alterations may be made from time to time in the light of legislative changes, operational procedures, or other prevailing circumstances.

This policy has been approved by the Board of Directors to ensure it is fit for the purposes of the business in respect of managing the risk of bribery and corruption within the business.

