

ANTI BRIBERY & CORRUPTION POLICY



DO THE
RIGHT
THING

DCC



CHIEF EXECUTIVE'S INTRODUCTION



DCC is committed to doing business with suppliers, customers and other parties in a way that is fair, transparent and benefits everyone involved. We are opposed to any practice that improperly or illegally disrupts proper business conduct.

Bribery and corruption are hugely damaging to the conduct of business because they cause people to make decisions in their own personal interest and not in the interest of the organisation where they work. These practices undermine trust and waste valuable resources. Bribery and corruption are clearly bad for organisations and countries where they arise. They are also illegal in every country in which we operate.

DCC therefore prohibits all forms of bribery and corruption in every area of our activities. We will meet the requirements of applicable laws, including the UK Bribery Act 2010, and good practice on the prevention of bribery and other corrupt practices.

This Anti-Bribery and Corruption Policy adds detail to the general position we have set out on these issues in our Code of Conduct. It applies to every director and employee in the DCC Group. The standards set out here also apply to third parties we ask to do work on our behalf.

Please take the time to read this Policy carefully and apply it in your work. If you have questions about how to apply this Policy in practice, please ask. And of course, if you believe that this Policy is not being followed, you should raise a concern. You will always be supported for doing so.

Donal Murphy

Chief Executive

WHEN DOES THIS POLICY APPLY?

This Policy applies to directors and employees of DCC plc and every business in which DCC plc has a controlling interest, including all part-time, fixed term and agency employees.

Representatives such as sales agents, advisors or other intermediaries representing any business in the DCC Group should be required to follow the standards set out in this Policy.

All references to "DCC", "Group", "the business", "we", "us" and "our" in this Policy should be read accordingly.

WHAT IS EXPECTED OF US?

We must all:

- Read and comply with the letter and the spirit of this Policy.
- Ask if we are unsure about how to apply this Policy to something that arises in our work.
- Raise a concern if we believe that this Policy is not being followed.



WHAT IS EXPECTED OF MANAGERS?

In addition, managers in every business in the Group must take action to:

- Create a culture in which every employee, or any third party to whom we outsource work, knows that we will not get involved in bribery or any form of corrupt practice and that they will be supported if they raise a concern.
- Ensure that business objectives are never pursued using bribery or any form of corrupt practice.
- Ensure that this Policy is followed within their areas of responsibility, especially where we do business in high-risk countries.
- Ensure that all suspected breaches of this Policy are promptly reported to the Head of Group Legal & Compliance and investigated.

WHAT HAPPENS IF I DO NOT FOLLOW THIS POLICY?

Directors and employees who do not follow this Policy are subject to disciplinary action, up to and including dismissal. Examples of behaviour that may result in disciplinary action include:

- Breaching this Policy, whether deliberately or because of a failure to take care.
- Asking or encouraging others to breach this Policy.
- Failing to report a clear breach of this Policy.
- Retaliation against a person because they have complied with this Policy or raised a concern about compliance with it.

In addition, a breach of this Policy may be a criminal offence, leading to fines or even imprisonment for individuals involved.

WHAT THIS POLICY COVERS

This Policy sets out what is required in the following areas:

1. General Requirements on Bribery and Corruption
2. Facilitation Payments
3. Gifts and Hospitality
4. Sponsorship, Charitable and Political Contributions
5. Using Representatives
6. Doing Business in High-Risk Countries

KEY TERMS

A **bribe** is any financial or other advantage which is offered, promised or given by one person to another, where the intention is to induce or reward improper performance of a public function or business activity, or is done in the knowledge or belief that acceptance of the advantage itself constitutes the improper performance of a public function or business activity.

A bribe does not need to be a monetary sum. A bribe can be any type of gift, consideration or advantage offered or requested, for example, an award of a contract, a discount in a commercial transaction or an offer of employment.

A contract or transaction does not need to have been won or completed for corruption to have arisen. Similarly, a recipient does not need to benefit personally from a bribe – it may be the intended beneficiary is a third party or a company. Finally, bribery can occur in the private as well as the public sector.

Corruption is any abuse of a position of trust in order to gain an undue advantage. Bribery is a means of causing corruption.

A **political contribution** is any donation or other form of support provided to a political party or a person who is standing for public office.

“A bribe does not need to be a monetary sum. A bribe can be any type of gift, consideration or advantage offered or requested, for example, an award of a contract, a discount in a commercial transaction or an offer of employment.”

Facilitation payments are small payments typically paid to speed up an administrative process or secure a routine government action by an official. They are most frequently encountered in high-risk countries. Facilitation payments should be contrasted with official, lawful payments (which will be made to an organisation rather than an individual official) to expedite certain functions (e.g. where there is a fast track service to get a passport).

High-risk countries are countries where bribery and corruption are reasonably common. The Corruption Perceptions Index published by Transparency International www.transparency.org is a good indicator of the risk of bribery and corruption in individual countries. A country with a score of 50 or below should usually be considered a high-risk country for the purposes of this Policy.

1. GENERAL REQUIREMENTS ON BRIBERY & CORRUPTION

You must never:

- Offer, give or accept a bribe.
- Make a payment or offer a personal advantage to someone if you know or believe that this will involve that person or any other person misusing their position or performing their functions improperly.
- Misuse your position or perform your functions improperly in connection with any payments or other personal advantage offered or provided to you or any other person.

Case Study

We are trying to buy a site and get planning approval so we can expand our existing activities. It's a big investment and we are eager to proceed. We have had discussions with the planning authority already. The official we spoke to suggested that we use his brother, who runs a local property advice firm, to help us find a suitable site.

Q. Should we have any concerns about using this firm?

A. Yes. Clearly, there is a risk that this will be seen as inappropriate. You should raise this issue internally before making a decision.

2. FACILITATION PAYMENTS

Facilitation payments are bribes and are not allowed.

If you are asked for a payment and are concerned that it is a facilitation payment you should:

- Ask for a receipt for the payment.
- If no receipt will be provided, politely decline to make the payment and explain that it is not allowed under your company's internal policies.
- If possible, speak to the official's supervisor, so you can explain your position.
- Keep a note of the request and other circumstances and report them as soon as possible to the Managing Director of the business where you work.

Case Study

I'm sourcing some new products. The supplier happens to be in a high-risk country. They have suggested that the export licence can be fast-tracked if they pay a small fee to the officials in question.

Q. We need these new products quite urgently. Is it ok to approve the payment?

A. No. You will need to check that the payment is being made to the authority which is providing the export licence and not to the officials themselves. You will also need to check that the fast-track mechanism is legal. Do not allow the payment to be made unless it is clear that it is not a facilitation payment.

3. GIFTS AND HOSPITALITY

Gifts and hospitality must only be offered or accepted where they are infrequent, reasonable and not excessive and where there is no risk that they will improperly influence or be seen to improperly influence a decision. In particular, there must be no express or implied link between any gift or hospitality and the terms on which we do business.

Providing or accepting hospitality is only allowed where its purpose is to develop legitimate business relationships. It must be proportionate having regard to the recipient and the organisation concerned.

Gifts must be modest in value, such as a token of appreciation to mark a national holiday or at another special time such as the completion of a project with a customer or supplier. No gift should be given if it could be misconstrued as a reward, an inducement or other corrupt act. Cash or cash equivalents must never be given or accepted.

You must not offer or give a gift or hospitality if you are aware or should be aware that it is in breach of the rules of the organisation where the recipient works or applicable laws on what they can accept.

The directors of each business in the Group must maintain clear policies and procedures on what levels of gifts and hospitality are allowed and how they should be approved and recorded. They must also maintain a register of gifts and hospitality provided and received by its employees. In addition, the directors of each business in the Group must ensure that all spending on gifts and hospitality is recorded in detail and accounted for appropriately. Each employee must comply with those policies and procedures, in addition to this Policy.

Case Study

I've been invited out to dinner by a new firm of advisors we've just appointed.

Q. Is there any problem in accepting?

A. As long as the meal is proportionate in value to the business you are doing and you record the meal in accordance with the policies and procedures that apply within the business where you work, there should be no problem. Reasonable levels of hospitality that help build business relationships are not prohibited.

4. SPONSORSHIP, CHARITABLE & POLITICAL CONTRIBUTIONS

Sponsorship and charitable donations by any Group business must be expressly approved in advance by the Managing Director of the business in question or by another director who has been authorised by the Managing Director. Detailed records must be kept of any sponsorship or charitable donations made.

Any political contribution by a Group business must be expressly approved in advance by the relevant Divisional Managing Director. Detailed records must be kept of any political contribution made.

Requests for sponsorship made by Group employees, to customers, suppliers or other third parties may be viewed as inappropriate in some circumstances and so need to be made with caution and with the approval of the Managing Director of the business or by another director authorised by them.

Case Studies

A former employee of the business is standing for election and has asked us to deliver some posters to their election office.

Q. Can we help out?

A. This will only be allowed with the approval of the Divisional Managing Director.

I am running a marathon for charity and want to ask our main suppliers for sponsorship.

Q. Do I need to get approval before making this request?

A. Yes. You must ask for internal approval from the Managing Director of the business or from another director authorised by them before making this request.

5. USING REPRESENTATIVES

If we are outsourcing any activity to a third party, we must have controls in place to ensure that they do not engage in bribery or other forms of corrupt practices on our behalf.

For example, if we appoint a distributor, sales agent, customs broker, freight forwarder or other representative we must ensure that they do not offer or give bribes in connection with the services they provide to us.

Therefore, we must:

- Carry out suitable checks on any representatives that we want to use, to see if they have any history of involvement in bribery, corruption or other illegal or improper practices.
- Ensure that the representative is completely clear that they must not get involved in bribery or corruption in connection with the work they do for us. We can do this by including suitable clauses in our contract with them by giving them a copy of this Policy or our supplier code of practice. We may also want to go further by giving their employees training or doing audits where needed.

The specific controls that we put in place need to match the risk in question. Where we are doing business through representatives in high-risk countries we need to take additional care. The following section of this Policy deals with this in some further detail.

Case Study

We're tendering for a big contract with a new customer. A former employee of theirs has approached us and offered to act as an advisor. She appears to have a lot of informal contact with the team who will be assessing and awarding the deal. She's asked for a success fee of £50,000 if we win the contract.

Q. Can we agree to this arrangement?

A. There is a clear risk of corruption arising here. We can only proceed if we have very clear controls in place and are satisfied that the advisor will not seek to inappropriately influence the tender process.

6. DOING BUSINESS IN HIGH-RISK COUNTRIES

Some countries suffer from widespread bribery and corruption, both within the public and private sectors. As noted in other parts of this Policy, we need to be particularly careful where we do business in high-risk countries or deal with parties, particularly representatives, who are based in one of these countries.

Among the steps that we may need to take before doing business with a party in a high-risk jurisdiction are:

- Carry out a background check to see if they have previously been involved in bribery, corruption or other illegal or improper practices.
- Check what policies and procedures they have in place to prevent bribery and corruption within their own organisation.
- Include suitable clauses in any contract that is put in place.
- Look out for danger signs such as payments that have no clear purpose, connections with government or inappropriate hospitality.

Companies within the Group that regularly do business with parties in high-risk countries must maintain more detailed policies and procedures on those transactions.

Case Study

I think we have an opportunity to win a lot of new business in Africa. I've found a company there who can act as our representative. They know how to get things done and also seem to be well-connected politically. They appear to have a very strong track record and already represent a number of other UK-listed companies.

Q. Can I go ahead and appoint them?

A. There are several reasons to be very careful in this situation. Many African countries are at high-risk of bribery and corruption. The political connections enjoyed by the company may also give rise to concern. The fact that the company deals with other listed businesses does not mean we can take less care. Discuss the matter with a director of the business where you work and take advice from Group Legal & Compliance before proceeding.



**STOP
AND
ASK**

If you have a query about the application of this Policy, please contact any member of the Legal & Compliance team:
www.dcc.ie/responsibility/legal-and-compliance-team



RAISE A CONCERN

If you believe that this Policy is not being followed you have an obligation to raise a concern. You can contact a member of management in the business where you work; you can contact the Head of Group Legal & Compliance in DCC plc; or you can contact **Safecall**, an independent service for raising concerns in any of the following ways:



You can use the following Freephone numbers:

Country	Freephone number
United Kingdom	0800 915 1571
Ireland	1800 812740
France	00800 72332255
Austria	00800 72332255
Germany	00800 72332255
Sweden	0850 252 122
Denmark	00800 72332255
Norway	00800 72332255
Poland	00800 72332255
Belgium	00800 72332255
Netherlands	00800 72332255
China Unicom	10800 7440605
China Telecom	10800 4400682
Hong Kong	3077 5524
USA	1 866 901 3295
UAE	8000 4413376

This service is available 24 hours a day, every day of the year.

You can use their website:

www.safecall.co.uk/report

You can email:

dccgroup@safecall.co.uk

Remember, you will always be supported if you raise a concern about a breach of this Policy. Retaliation against any person who raises a concern is strictly prohibited.



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