



## ANTI BRIBERY AND CORRUPTION (“ABC”) POLICY

### Introduction

This policy explains the procedures through which Yattendon Group plc and its subsidiary companies (“YG”) can maintain high ethical standards and protect its reputation against any allegations of bribery and corruption. All employees are required to read and understand all aspects of this policy and abide by it. The policy also applies to relevant business partners and other associated entities.

It is YG’s policy to conduct business in an honest way, without the use of corrupt practices or acts of bribery to obtain unfair advantage. We are committed to the highest legal and ethical standards and integrity in all our dealings. Ensuring no employee or business partner gives or receives a bribe is fundamental in ensuring we are operating in line with our core business values and this commitment is fully endorsed by the YG Board. A zero-tolerance approach will be applied to any breaches of this policy.

Bribery, facilitation payments or other corrupt practices are criminal offences in most countries. Any such acts expose YG and its employees to the risk of prosecution, fines and imprisonment as well as damaging our reputation. For a UK based company, the Bribery Act 2010 (“the Act”) holds UK companies liable for failing to implement adequate procedures to prevent acts of bribery or corruption by those working for the company or on its behalf no matter where in the world the act takes place. US legislation (Foreign Corrupt Practices Act) includes similar prohibitions and penalties and is enforced with vigour.

An act of bribery (whether the act occurs in the UK or overseas) is punishable in the UK by up to 10 years imprisonment, debarment from public contracts, an unlimited fine to the business and reputational damage.

### What is Bribery and Corruption?

*Bribery is the offer, promise, giving, demanding or acceptance of an advantage as an inducement for an action which is illegal, unethical or a breach of trust.*

*Corruption is the misuse of public office or power for private gain, or misuse of private power in relation to business outside the realm of government.*

*A bribe can be a direct or indirect promise, offering or authorisation or anything of value; the offer or receipt of a kickback, loan, fee, reward or other advantage; the giving of aid, donations or voting designed to exert improper influence.*

Acts of bribery or corruption are designed to influence an individual in the performance of their duty and incline them to act dishonestly. The person being bribed is generally someone who will be able to influence a business for example tendering or contracting or it could involve the handling of administrative tasks such as licences, visas, taxes or import/export matters.

Bribery and corrupt behaviour can be committed by:

- ❖ An employee, officer or director
- ❖ Any person acting on behalf of the Company (eg our business partners or franchisees)
- ❖ Anyone who authorises someone else to carry out these acts.

## **Risk assessment**

The Act introduces three main offences:

- 1) The offering, promising or giving of an advantage and requesting, agreeing to receive or the accepting of an advantage. i.e. giving and receiving bribes;
- 2) An offence of bribing a foreign official; and
- 3) A corporate offence of the failure of an organisation to have adequate procedures to prevent bribery.

YG has assessed its exposure to commonly encountered geographic, sector, transaction and business risks, both within and externally from the business. It is thought that there is no significant risk for most aspects of our business in the UK, however, the property development sector presents a slightly higher risk, as does the international business of MDL although this risk has reduced since the decision was made not to seek to manage marinas outside the UK. Our exposure to risk will be reviewed regularly.

MDL is responsible for ensuring that it has undertaken due diligence and assessed the risk of our overseas business partners. The vulnerability of each operation must be re-visited regularly and this policy communicated to our business partners who should be asked to sign a copy to acknowledge their agreement to and understanding of this policy.

Our UK, US and Canadian property development functions should also undertake ABC due diligence on their partners and associated companies and ask to see their ABC policy. This policy should be shared with those partners and associated companies and they should be asked to confirm their compliance with this policy.

If a risk has been identified, procedures should be developed to mitigate those risks on an ongoing basis. It is the business MD's responsibility to ensure that such procedures are in place. Responsible management should be asked to evaluate the background, experience and reputation of the relevant business partner, understand the methods of payment, evaluate the business rationale for engaging that partner and take reasonable steps to monitor the transactions.

Any significant business partners must maintain accurate books, records and financial reporting and be transparent, reflecting the underlying transactions.

## **Monitoring and internal control**

Procedures put in place to mitigate identified risks need to be monitored and steps need to be taken to ensure effective internal controls are in place. The Finance Director of each subsidiary is responsible for ensuring that this takes place. Ignorance or turning a blind eye is not sufficient.

Any steps taken to ensure compliance of associated companies should be revisited regularly and repeated at least every 5 years.

## **Hospitality & Gifts**

YG employees are required to make a judgement on whether the giving or receiving of gifts or hospitality is likely to constitute bribery or accepted business practice. YG recognises both giving and receiving of hospitality is often positive in forming and strengthening relationships with third parties and is not bribery. Good practice needs to be adopted by all group businesses to ensure transactions are transparent, proportionate, reasonable and bona fide.

- Hospitality – includes entertaining, meals, receptions and tickets to events, given or received to initiate or develop relationships. The host must be present or the expenditure becomes a Gift. Hospitality should not be excessive, too often or leave the recipient in a position of obligation.
- Gifts – are given as a mark of friendship or appreciation and without expectation of a return. Gifts have no role in business other than enhancing relations or reminding people of our business.

## **Gift or Hospitality Assessment**

When considering receiving or offering a gift or hospitality of any value ask yourself the following questions prior to taking action:

1. What is the intent? Is it for the right reason such as an act of appreciation or for a bona fide business purpose?
2. How would it look if details appeared on the front of a newspaper? Would it be embarrassing to disclose to our internal and external stakeholders?
3. What if the situation were reversed – would there be a double standard?
4. Will you or the third party feel obliged to act in some way as a result?
5. Does it create expectations?
6. Is it being offered or received in a transparent manner or is it secretive?
7. Is it of reasonable value?
8. Is it compliant with relevant laws?
9. Does it conform to both existing company policy (eg Yattendon Red Book guidance, Bribery Act guidance, Terms & Conditions of Employment) and that of the third party?
10. Is this becoming a frequent occurrence?

If you are comfortable with your answers to the previous questions and the gift / hospitality cannot be misconstrued as bribery then:

- If the estimated value is below £1000 inclusive of all costs then individuals should attempt to obtain authorisation from their line manager prior to accepting / offering the gift / hospitality. If this is not possible, for example an invitation to a meal after a meeting, then you should ensure that you advise your line manager as soon as possible after the event.
- If the value is over £1000 authorisation must be sought from a senior manager via completion of a Gifts & Hospitality Form; this form should be completed by the individual, signed by the appropriate senior manager and then passed to the Company Secretary who will keep the details for the Gifts and Hospitality register.

The Gifts & Hospitality register will be held by the Company Secretary and entries to the register will be reviewed by the senior management team and reported to the company Board on an annual basis.

## **Offering and Receiving Bribes**

### **The offence of giving a bribe**

Individuals can be found guilty of an offence if they offer, promise or give an advantage (financial or otherwise) with the intention of influencing the recipient to perform an activity improperly or to reward them for improperly performing an activity.

If a bribe is offered, and the recipient refuses and reports you, you can be sentenced even though a payment was not made.

### **If requested to pay a bribe**

If an individual is asked to pay a bribe, they should make the requester aware that it is illegal and that they could lose their job and face a prison sentence. Notes should be made following any request of this sort, in terms of who spoke to whom, what the request was for and how much was requested. Any requests of this nature should be reported to the Head of Corporate Services and Company Secretary as soon as possible.

### **If asked to make a facilitation payment**

In some countries, it is customary to make payments or gifts of small value to junior government officials in order to speed up or facilitate a routine action or process. This may be to obtain licences, permits,

visas, or to get goods through customs. Such payments are illegal in the UK and count as a bribe regardless of size or local cultural expectations.

If you face a situation where the facilitation payment is being extorted or you are forced to pay under duress, such a payment may be made. If this happens to you, you must record the payment appropriately to reflect the substance of the transaction and as soon as you are able to, contact the Head of Corporate Services and Company Secretary.

## **The offence of receiving a bribe**

The offence relating to the receiving of bribes is defined as “requesting, agreeing to receive or the accepting of an advantage.” An offence has taken place if you request, receive or accept an advantage (financial or otherwise) with the intention that an activity will be performed differently.

### **If offered a bribe**

If offered a bribe the requester should be made aware that it is illegal and that an employee could lose their job and face a prison sentence. Notes should be made following the offer, in terms of who spoke to whom, what the offer was for and how much was being offered. The offer should be reported to the Head of Corporate Services and Company Secretary who will seek appropriate guidance.

### **How to raise a concern**

If you have a concern regarding a suspected instance of bribery or corruption, please speak up. The sooner you act the better for you and the Company. You should report any concerns to your Line Manager and the Head of Corporate Services and Company Secretary. If for some reason this is not possible, then please speak to another Senior Manager or Director.

We will act as soon as possible to evaluate the situation.

Updated September 2023