

Tennants Consolidated Limited and its Group Companies (the “Group”)

ANTI-CORRUPTION AND BRIBERY POLICY

1. Policy statement

THE TENNANTS GROUP HAS ZERO TOLERANCE OF BRIBERY AND CORRUPTION.

The Group conducts all of its business dealings in a professional, honest and ethical manner and with integrity in such a way as to enhance the good reputation of the Group.

The Group will uphold all laws relevant to countering bribery and corruption, including the Bribery Act 2010, in respect of our conduct both at home and abroad.

It is a criminal offence to offer, promise, give, request, or accept a bribe. Individuals found guilty can be punished by up to ten years' imprisonment and/or a fine. As an employer if we fail to prevent bribery we can face an unlimited fine, exclusion from tendering for public contracts, and damage to our reputation.

2. About this policy

The purpose of this policy is to:

- (a) set out the responsibilities in upholding our zero tolerance position on bribery and corruption; and
- (b) provide guidance to those working for the Group on how to recognise and deal with bribery and corruption issues.

This policy applies to all persons working for the Group or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, agents, contractors, distributors, external consultants, joint venture partners, suppliers, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located.

In this policy, third party means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

This policy does not form part of any member of staff's contractual arrangements with the Group (including without limitation any employee's contract of employment) and we may amend, replace or withdraw it at any time.

3. Who is responsible for the policy?

The Board of Directors has overall responsibility for this policy.

The Group's Company Secretary has responsibility for implementing this policy, monitoring its use and effectiveness, and reviewing internal control systems and procedures to ensure they are effective in countering bribery and corruption.

Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it.

4. What is bribery and corruption?

Bribery is offering, promising, giving or accepting any incentive, to induce the recipient, or any other person, to act improperly in the performance of their functions, or to reward them for acting improperly with the intention to facilitate or gain an unfair business advantage.

An incentive includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value.

Corruption is the abuse of entrusted power or position for private gain.

A person acts improperly where they act illegally, unethically, or contrary to an expectation of good faith or impartiality, or where they abuse a position of trust. The improper acts may be in relation to any business or professional activities, public functions, acts in the course of employment, or other activities by or on behalf of any organisation of any kind.

5. What you must not do

It is not acceptable for you (or someone on your behalf) to:

- give, promise to give, or offer, an incentive with the expectation that a business advantage will be received, or to reward a business advantage already given;
- give or accept an incentive during any commercial negotiations or tender process if this could reasonably be perceived as intended to, or likely to, influence the outcome;
- accept an incentive from a third party that you know, or suspect, is offered with the expectation that it will provide a business advantage for them or anyone else in return;

- accept hospitality from a third party that is unduly lavish or extravagant under the circumstances;

6. Facilitation payments and kickbacks

We do not make, and will not accept, facilitation payments or ‘kickbacks’ of any kind.

Facilitation payments are typically small, unofficial payments made to secure or expedite a routine or necessary action (for example by a government official).

Kickbacks are typically payments made in return for a business favour or advantage.

7. Gifts, hospitality and expenses

This policy allows reasonable and appropriate gifts, hospitality or entertainment given to or received from third parties in the course of carrying out your duties, for the purposes of:

- establishing or maintaining good business relationships;
- improving or maintaining the Group’s image or reputation; or
- marketing or presenting the Group’s products and/or services effectively.

The giving and accepting of gifts is allowed if the following requirements are met:

- it is given in the Group’s name, not in your name;
- it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- it is appropriate in the circumstances, taking account of the reason for the gift, its timing and value. For example, in the UK it is customary for small gifts to be given at Christmas;
- it is given openly, not secretly; and
- it complies with any applicable local law.

Approved promotional gifts of low value to or from existing customers, suppliers and business partners will usually be acceptable.

Reimbursing a third party's expenses or accepting an offer to reimburse our expenses (for example, the costs of attending a business meeting, including reasonable travel and accommodation costs) would not usually amount to bribery. However, a payment in excess of genuine and reasonable business expenses (such as the cost of an extended hotel stay) is not acceptable.

As a matter of guidance ask yourself this question: “Would I be embarrassed if I had to explain this or would I cringe if someone tried to explain their behaviour in similar

circumstances?” If the answer to either is ‘yes’, then it is likely the relevant conduct should be avoided.

We appreciate that practice varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift, hospitality or payment is reasonable and justifiable. The intention behind it should always be considered.

8. Political donations

The Group does not intend to make contributions to political parties.

9. Charitable donations

The Group only makes charitable donations or sponsorships that are legal and ethical under local laws and practices.

No donation must be offered or made without the prior approval of the Board of Directors of the Group making the donation and it should be properly recorded.

No charitable donations or sponsorship should be made where there is a potential conflict of interest that could affect a material transaction, or where it could influence a current bidding situation. It should not be given subsequently as a ‘reward’ for the award of the contract.

10. Record-keeping

Companies must keep financial records and have appropriate internal controls in place which will evidence the business reason for any payments or incentives provided to third parties. Accounts must not be kept ‘off-book’ to facilitate or conceal improper payments.

You should keep a written record of all hospitality or gifts given or received, which may be subject to managerial review.

You must submit all expenses claims relating to hospitality, gifts, payments or charitable donations and sponsorships to third parties in accordance with your expenses policy and record the reason for expenditure.

11. Your responsibilities

You must ensure that you read, understand and comply with this policy.

You must conduct the business of the Group in full compliance with both the letter and spirit of the law and the guidelines established by this policy. You should avoid any activity that might lead to, or suggest, a breach of this policy.

12. How to raise a concern

If you are offered a bribe, or are asked to make one, or if you believe or suspect that any bribery, corruption, facilitation payment or other breach of this policy has occurred or may occur, you must notify your line manager in the first instance or a member of your Board of Directors (such as the Company Secretary) in relevant cases at the earliest possible stage.

13. Protection

We encourage openness and are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place or may take place in the future.

14. Training

Training on this policy will be provided as necessary. If you have any questions, in the first instance contact your Company Secretary.

15. Breaches of this policy

Any employee who breaches this policy will face disciplinary action, which could result in dismissal. The Group may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

The Group reserves the right to report any inappropriate acts to the relevant authorities.

16. Potential 'red flags'

The following is a list of possible red flags that may arise during the course of you working for the Group and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only:

- you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a 'special relationship' with foreign government officials;
- a third party insists on receiving a commission or fee payment before committing to sign up to a contract with us;
- a third party requests that payment is made to a country or location different from where the third party resides or conducts business;

- a third party requests an unexpected additional fee or commission to "facilitate" a service;
- a third party requests that a payment is made to "overlook" potential legal violations;
- a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations;
- a third party demands that you provide employment or some other incentive to a friend or relative;
- you receive an invoice from a third party that appears to be non-standard or customised;
- you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us; or
- you are offered an unusually generous gift or offered lavish hospitality by a third party.

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