

ANTI-BRIBERY & CORRUPTION POLICY

This policy sets out the general rules and principles to which we adhere. It will be communicated to all employees overseen by CGS, as well as relevant third-party representatives and as well as relevant third-party representatives and other necessary individuals and entities. Those who work in areas within our business identified as being particularly high risk will receive additional training and support in identifying and preventing corrupt activities.

This policy explains the procedures through which CGS Ltd can maintain its high ethical standards and protect its reputation against any allegations of bribery and corruption. Its successful implementation requires pro-active adoption at the following levels:

You – As an employee of CGS, you are required to read and understand all aspects of this policy, and abide by it.

Introduction

It is the CGS policy to conduct business in an honest way, and without the use of corrupt practices or acts of bribery to obtain an unfair advantage.

CGS Ltd is committed to ensuring adherence to the highest legal and ethical standards. This must be reflected in every aspect of the way in which we operate. We must bring integrity to all our dealings. Bribery and corruption harms the societies in which these acts are committed and prevents economic growth and development.

This is not just a cultural commitment on the part of the organisation; it is a moral issue and a legal requirement. Bribery is a criminal offence, and corrupt acts expose the Company and its employees to the risk of prosecution, fines and imprisonment, as well as endangering the Company's reputation.

This policy has been adopted by CGS and is to be communicated to everyone involved in our business to ensure their commitment to it. The board attaches the utmost importance to this policy and will apply a "zero tolerance" approach to acts of bribery and corruption by any of our employees or third-party representatives. Any breach of this policy will be regarded as a serious matter by the Company and is likely to result in disciplinary action.

What is Bribery and Corruption?

Bribery and corruption has a range of definitions in law, but the fundamental principles apply universally. 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.

Acts of bribery or corruption are designed to influence the individual in the performance of their duty and incline them to act dishonestly. For the purposes of this policy, whether the payee or recipient of the act of bribery or corruption works in the public or private sector is irrelevant.

The person being bribed is generally someone who will be able to obtain, retain or direct business. This may involve sales initiatives, such as tendering and contracting; or, it may simply involve the handling of administrative tasks such as licenses, customs, taxes or import/export matters. It does not matter whether the act of bribery is committed before or after the tendering of a contract or the completion of administrative tasks.

What is a Bribe?

Bribes can take on many different shapes and forms, but typically they involve corrupt intent. There will usually be a 'quid pro quo'

– both parties will benefit. A bribe could be:

- the direct or indirect promise, offering, or authorisation, of anything of value
- the offer or receipt of any kickback, loan, fee, reward or other advantage
- the giving of aid, donations or voting designed to exert improper influence

Who Can Engage in Bribery or Corruption?

In the eyes of the law, bribery and corrupt behaviour can be committed by:

- an employee, officer or director
- any person acting on behalf of the Company (third-party representatives)
- individuals and organisations where they authorise someone else to carry out these acts

Acts of bribery and corruption will commonly, but not always, involve public or government officials.

For the purposes of this policy, a government official could be:

- a public official, whether foreign or domestic
- a political candidate or party official
- a representative of a government-owned/majority-controlled organisation
- an employee of a public international organisation (eg World Bank)

What Does the Law Say About Bribery and Corruption?

Bribery is a criminal offence, and penalties can be severe. Upcoming legislation in the UK (the Bribery Bill) not only makes bribery and corruption illegal, but also holds UK companies liable for failing to prevent such acts by those working for or on its behalf, no matter where the act takes place.

What Steps Can We Take to Prevent Bribery and Corruption?

We can take the following steps to assist in the prevention of bribery and corruption:

A. Risk Assessment

Effective risk assessment lies at the very core of the success or failure of this policy. Risk identification pinpoints the specific areas in which we face bribery and corruption risks and allows us to better evaluate and mitigate these risks and thereby protect ourselves.

B. Accurate Books and Record-Keeping

Many serious global bribery and corruption offences have been found to involve some degree of inaccurate record-keeping. We must ensure that we maintain accurate books, records and financial reporting within all Cranegates business units and for all third- party representatives working on our behalf. Our books, records and overall financial reporting must also be transparent. That is, they must accurately reflect each of the underlying transactions. False, misleading or inaccurate records of any kind could potentially damage CGS.

C. Effective Monitoring and Internal Control

Our businesses must all maintain an effective system of internal control and monitoring of our transactions. Once bribery and corruption risks have been identified and highlighted via the risk assessment process, procedures can be developed within a comprehensive control and monitoring programme in order to help mitigate these risks on an ongoing basis.

Where Do the Bribery and Corruption Risks Typically

Arise? A. Use of Third-Party Representatives

The definition of a third-party is broad, and could include agents, distributors, consultants and joint venture partners. Whilst the use of third-parties can help us reach our goals, we need to be aware that these arrangements can potentially present Macmillan with significant risks.

Risk can be identified where a third-party conducts business activities on CGS behalf, so that the result of their actions can be seen as benefiting CGS. Third-parties who pose significant risks and act on CGS behalf must operate at all times in

accordance with this policy. Local Management is responsible for the evaluation of each third-party relationship and determining whether or not it falls into this category.

Where risk regarding a third-party arrangement has been identified, Management must:

- evaluate the background, experience, and reputation of the third-party
- understand the services to be provided, and methods of compensation and payment
- evaluate the business rationale for engaging the third-party
- take reasonable steps to monitor the transactions of third-parties appropriately
- ensure there is a written agreement in place which acknowledges the third-party's understanding and compliance with this policy

CGS Ltd is ultimately responsible for ensuring that third-parties who pose significant risks are compliant with this policy as well as any local laws. Ignorance or "turning a blind eye" is not an excuse.

B. Gifts, Entertainment and Hospitality

Gifts, entertainment and hospitality include the receipt or offer of gifts, meals or tokens of appreciation and gratitude, or invitations to events, functions, or other social gatherings, in connection with matters related to our business. These activities are acceptable provided they fall within reasonable bounds of value and occurrence.

How to evaluate what is 'acceptable':

First, take a step back and ask yourself the following:

- What is the intent – is it to build a relationship or is it something else?
- How would this look if these details were on the front of a newspaper?
- What if the situation were to be reversed – would there be a double standard?

If you find it difficult to answer one of the above questions, there may a risk involved which could potentially damage CGS reputation and business. The action could well be unlawful.

Although no two situations are the same, the following guidance should be considered globally:

- Never acceptable

Circumstances which are never permissible include examples that involve:

- a 'quid pro quo' (offered for something in return)
- gifts in the form of cash/or cash equivalent vouchers
- entertainment of a sexual or similarly inappropriate nature

As a general rule, CGS employees and third-parties should not provide gifts to, or receive them from, those meeting our definition of a government official in section 4. However, we do understand that in certain countries gift giving and receiving with these individuals is a cultural norm. If you are faced with such a situation, please consult with the Managing Director before proceeding.

Usually acceptable

Possible circumstances that are usually acceptable include:

- modest/occasional meals with someone with whom we do business



- occasional attendance at ordinary sports, theatre and other cultural events
- gifts of nominal value, such as pens, or small promotional items

If an example does not fall under the above categories, please in the first instance seek guidance from the Managing Director. Generally, such examples would not be permissible without prior approval.

How to Raise a Concern

As individuals who work on behalf of CGS, we all have a responsibility to help detect, prevent and report instances not only of bribery, but also of any other suspicious activity or wrongdoing. CGS is absolutely committed to ensuring that all of us have a safe, reliable, and confidential way of reporting any suspicious activity. We want each and every one to know how they can “speak up”.

If you have a concern regarding a suspected instance of bribery or corruption, please speak up – your information and assistance can only help. The sooner you act the better for you and for the Company. To help, we have created multiple channels to allow you to do this.

If you are concerned that a corrupt act of some kind is being considered or carried out – either within CGS, by any of our third-parties or by any of our competitors – you must report the issue/concern to your Line Manager in the first instance. If for

some reason it is not possible to speak to your Line Manager, please then report it to another Senior Manager, the Company

Secretary or Director.

CGS has clearly defined procedures for investigating fraud, misconduct and non-compliance issues and these will be followed in any investigation of this kind. If you have any questions about these procedures, please contact the HR department.

It is the ultimate responsibility of the CGS management team routinely to refresh and reinforce this policy and its underlying principles and guidelines.

Signed:

Title: Managing Director