

## LAST MILE INFRASTRUCTURE GROUP LIMITED

### PROCEDURAL DOCUMENT: ANTI-BRIBERY, FRAUD AND CORRUPTION PROCEDURE

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#### DOCUMENT STATUS

This is a controlled document. Whilst this document may be printed, the electronic version posted on the intranet is the controlled copy. Any printed copies of this document are not controlled.

As a controlled document, this document should not be saved onto local or network drives but should always be accessed from the intranet.

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#### 1. GENERAL

- 1.1. A bribe is an inducement or reward offered, promised or provided (or received), directly or indirectly, in order to gain any commercial, contractual, regulatory or personal advantage. The Bribery Act 2010 introduced four key offences including: bribing any person with the intention of “improper performance of a relevant function or activity” and being bribed with the intention of the “improper performance of a relevant function or activity”.
- 1.2. Bribery and corruption are punishable for individuals by up to ten years’ imprisonment and if the Company is found to have taken part in corruption, we could face an unlimited fine, be excluded from tendering for public contracts and face damage to our reputation. We therefore take our legal responsibilities very seriously.
- 1.3. The term fraud is used to describe acts such as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion.
- 1.4. For practical purposes, fraud may be defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party.
- 1.5. Fraud can be perpetrated by persons outside as well as inside the Company and a person is considered to have committed a fraud through abuse of position if they occupy a position in which they are expected to safeguard the financial interests of another person, dishonestly abuses that position, and intends by means of the abuse to make a gain for themselves or another, or to cause loss to another or to expose another to a risk of loss.

#### 2. PROCEDURAL STATEMENT

- 2.1. We are committed to conducting our business fairly, honestly and openly. We have zero tolerance of bribery and corruption and will not do business with others who do not commit to doing business without bribery.

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- 2.2. A bribe is some form of financial or other advantage. It may cover a wide range of things, including (but not limited to):
- (a) gifts and corporate hospitality;
  - (b) promotional expenses, travel expenses and accommodation costs;
  - (c) employing public officials or their relatives;
  - (d) vouchers or cash equivalent;
  - (e) provision of services such as use of a car or provision of an item of plant or machinery;
  - (f) awarding of a contract to a company connected to a public official;
  - (g) awarding a contract to a particular company; or
  - (h) making political or charitable donations.

**Examples:**

**Offering a bribe:**

You offer a potential client tickets to a major sporting event, but only if they agree to do business with us. This would be an offence as you are making the offer to gain a commercial and contractual advantage. We (the Company) may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential client to accept your offer.

**Receiving a bribe:**

A supplier gives your nephew a job but makes it clear that in return they expect you to use your influence in our organisation to ensure we continue to do business with them. It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage.

- 2.3. It is not acceptable for you (or someone on your behalf) to:
- 2.3.1. give, promise to give, or offer, a payment, gift or hospitality with the expectation that a business advantage will be received;
  - 2.3.2. give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure;
  - 2.3.3. accept payment from a third party that you know, or suspect is offered with the expectation that it will obtain a business advantage for them;
  - 2.3.4. accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an exception that a business advantage will be provided by us in return;
  - 2.3.5. threaten another worker who has refused to commit a bribery offence or who has raised concerns under this procedure or the associated policy document.
- 2.4. If you are uncertain whether something is within the scope of this procedure you should seek advice from the Chief Risk Officer, Kirsty Nellany ([Kirsty.Nellany@lastmile-group.com](mailto:Kirsty.Nellany@lastmile-group.com)).

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**3. RISK ASSESSMENTS**

- 3.1. The Company shall regularly assess the nature and extent of the risks relating to bribery to which it is exposed, being aware that risks are potentially present internally and externally.
- 3.2. The Risk and Compliance Advisor, Pamela Donaldson ([Pamela.Donaldson@lastmile-group.com](mailto:Pamela.Donaldson@lastmile-group.com)) will take responsibility for instigating and carrying out relevant risk assessment exercises at regular intervals, such exercises shall include consideration of:
  - 3.2.1 the Company’s business activities across all its operations nationally and any actual or proposed changes to those activities;
  - 3.2.2 the Company’s employees and their knowledge and understanding of the Company’s business profile and associated bribery risks;
  - 3.2.3 the business activities of the Company’s customers and clients, suppliers, contractors and other business partners and the interface between those activities and the Company; and
  - 3.2.4 the markets in which the Company and those acting on the Company’s behalf operate.
- 3.3. The Company is committed to investigating and being fully informed about the individuals and organisations with whom it has business dealings and the markets in which it operates.
- 3.4. The extent of due diligence into business relationships will vary according to the risk. Where appropriate, before entering any business relationship, the actions the Company may take include, but are not limited to:
  - 3.4.1 checking that potential partners internal anti-corruption measures are consistent with the terms of this procedure and the associated policy document, and where necessary, encouraging the adoption of such measures;
  - 3.4.2 ensuring that all business relationships and transactions are properly documented and recorded and have the express approval of the requisite manager; and
  - 3.4.3 ensuring that the Company can exit from any business relationship if bribery occurs or is reasonably thought to have occurred.

**4. CONTRACTING**

- 4.1. Our standard client engagement terms and conditions confirm our commitment to comply with the Anti Bribery and Corruption Policy, and by extension, the requirements and intent of the Bribery Act 2010.
- 4.2. Our contract conditions for the engagement of suppliers and subcontractors stipulate that they have appropriate measures in place to comply fully with the Bribery Act 2010.

**5. GIFTS AND HOSPITALITY**

- 5.1. All hospitality is offered in an open and non-secretive manner.
- 5.2. All expenditure and expenses on hospitality must be approved in accordance with the Company Delegation of Authorities.

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- 5.3. This procedure does not prohibit normal and appropriate hospitality (given and received) to or from third parties.
- 5.4. Typical and appropriate client lunches and dinners are deemed proportionate and do not in themselves exert nor are intended to exert undue influence and are thus not specifically recorded to comply with this procedure.
- 5.5. Information on corporate events over and above normal client lunches and dinners are recorded by the Risk and Compliance Advisor. This information should include details of all clients that attended the event.
- 5.6. Flowers, cards and seasonal/festive gifts under £50 are deemed not in themselves to exert undue influence. Such activities are not recorded in a formal register. Gifts over £50 must be recorded and should be brought to the attention of the Compliance Officer. Gifts shall only be provided if:
  - 5.6.1 they do not exert undue influence;
  - 5.6.2 they comply with the law;
  - 5.6.3 they are given in the name of the Company and not in the name of the individual;
  - 5.6.4 they do not include cash or cash equivalent;
  - 5.6.5 they are appropriate in the circumstances; and
  - 5.6.6 they are given openly and not secretly.
- 5.7. All entertaining received with an estimated cost of more than £200 must be reported to the Compliance Officer. The estimated cost will include any food, alcohol, travel and tickets paid by the third party.
- 5.8. All gifts received by directors, officers and employees with an estimated or actual retail value of £50 or more, must be reported to the Risk and Compliance Advisor. The Chief Risk Officer will determine whether the gifts should be returned.
- 5.9. The Risk and Compliance Advisor will keep a record of all declarations and decisions made.

**6. FACILITATION PAYMENTS AND KICKBACKS**

- 6.1. We do not make, and will not accept, facilitation payments or “kickbacks” of any kind.
- 6.2. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official, also known as “greasing payments”. They are not commonly paid in the UK.
- 6.3. Kickbacks are typically payments made in return for a business favour or advantage. All workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us.

**7. DONATIONS**

- 7.1. We do not make contributions to political parties.
- 7.2. We only make charitable donations that are legal and ethical under local laws and practices.

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- 7.3. Company donations shall not be offered or made without prior approval and in accordance with the Delegation of Authority.
- 7.4. Typical individual donations for their charitable donations are deemed not in themselves to exert undue influence and are not recorded.

**8. RECORD KEEPING**

- 8.1. We shall keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 8.2. All expense claims relating to hospitality, gifts or expenses incurred to third parties shall be submitted in accordance with our expenses procedures and specifically record the reason for the expenditure.
- 8.3. All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept “off-book” to facilitate or conceal improper payments.

**9. HOW TO RAISE A CONCERN**

- 9.1. Please refer to the Whistleblowing Policy and Procedure for further details on how to raise a concern. We call this “making a disclosure”.
- 9.2. You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. No employee will be penalised for refusing to pay or accept a bribe even if such refusal results in the loss of business. We will support anyone who raises genuine concerns in good faith under this procedure, even if they turn out to be mistaken.
- 9.3. If you are unsure whether an act constitutes bribery, fraud or corruption, or if you have any other queries, these should be raised with the Chief Risk Officer.
- 9.4. It is important that you tell the Chief Risk Officer or Risk and Compliance Advisor as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

**10. SCOPE**

- 10.1. The Company and all related subsidiary undertakings are within the scope of this document.

**11. DEFINITIONS**

- 11.1. Unless a contrary intention is evident, or the context requires otherwise, words or expressions contained in this document shall have the same meaning as set out in the Articles of Association of the Company and the following defined terms shall have the specific meanings given to them below:

Board means the Chairperson, Executive Directors and Non-executive Directors of the Company.

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Chairperson	means a Member of the Board who is appointed pursuant to article 11 of the Company’s Articles of Association.
Chief Executive Officer	means a Member of the Board who is appointed pursuant to article 20.1 of the Company’s Articles of Association and so designated.
Committee	means a committee appointed by the Board, which reports to the Board.
Company	means Last Mile Infrastructure Group Limited.
Company Secretary	means the person who is appointed pursuant to article 72 of the Company’s Articles of Association.
Employee	means a person paid via the payroll of the Company, or for whom the Company has responsibility for making payroll arrangements, but excluding Non-executive Directors.
Executive Director	means a Member of the Board who is appointed pursuant to article 20.1 of the Company’s Articles of Association.
Non-executive Director	means a Member of the Board who is appointed pursuant to article 20.2 of the Company’s Articles of Association.

**12. ROLES AND RESPONSIBILITIES**

- 12.1. The Board has overall responsibility for maintaining the corporate governance framework of the Company, including this document.
- 12.2. The Company Secretary has responsibility for:
  - 12.2.1 publicising the existence of the corporate governance framework and all associated controlled documents;
  - 12.2.2 ensuring all corporate governance framework documents, policy documents and Committee terms of reference are published on the intranet;
  - 12.2.3 maintaining a register of all corporate governance framework documents, policy documents and Committee terms of reference;
  - 12.2.4 ensuring all corporate governance framework documents, policy documents and Committee terms of reference are reviewed no later than their agreed review date.
- 12.3. All employees are responsible for the success of this procedure and should ensure that they use it to disclose any suspected danger or wrongdoing. Employees are invited to comment on this procedure and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Chief Operating Officer who fulfils the function of Chief Risk Officer for the purposes of this procedure.

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**13. DISTRIBUTION AND IMPLEMENTATION**

**13.1. Distribution Plan**

13.1.1 This document will be made available on the Company intranet.

13.1.2 A global communication will be issued to all employees notifying them of the release of this document.

**13.2. Training Plan**

13.2.1 Training needs analysis will be undertaken with employees affected by this document.

13.2.2 Based on the findings of that analysis appropriate training will be provided as necessary.

**14. MONITORING**

**14.1. Compliance**

14.1.1 Compliance with this document will be monitored by the Environmental, Social and Governance (ESG) Committee.

14.1.2 This procedure will be reviewed annually.

**15. ASSOCIATED DOCUMENTATION**

15.1. POL006 – Anti-Bribery and Corruption Policy.

**16. REFERENCES**

16.1. None.

**APPENDIX 1 VERSION CONTROL TRACKER**

Version	Date	Author Job Title	Status	Comments
V00.01	11/10/2019	Chief Executive Officer	Draft	First draft for comment
V01.01	17/10/2019	Chief Executive Officer	Final	Final version agreed
V01.01	01/11/2019	Chief Operating Officer	Final	Final reviewed version agreed
V02.01	18/09/2020	Chief Operating Officer	Draft	Revision version circulated to Board for approval
V02.01	07/10/2020	Chief Operating Officer	Final	Final version agreed
V03.01	31/08/2021	Risk and Compliance Advisor	Draft	Revised draft for comment
V03.01	05/10/2021	Chief Operating Officer	Final	Final version agreed

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