



DX Anti- Bribery & Corruption Policy

Updated June 2021

Version No	Date Issued	Update Details	Approved By	Issued By
V1.0	2010	Initial issue	The Board	Company Secretary
V2.0	2012	Revised Policy	The Board	Company Secretary
V3.0	1 st June 2021	Major Revision – with separation of Gifts & Hospitality to a separate Policy	PLC Board (on recommendation of Audit & Risk Committee)	Company Secretary

Anti-bribery & Corruption Policy - Updated March 2021

At DX we trust that you and your fellow employees, consultants, contractors, and agency workers will always meet the high standards of conduct that we expect from all of our teams. However, all organisations face the risk of things going wrong from time to time, or of unknowingly harbouring illegal or unethical conduct. This policy aims to assist all of us against the harm that risk can cause. It is our policy to conduct all of our business in an honest, transparent and ethical manner. **We take a zero-tolerance approach to bribery and corruption** and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships.

The purpose of this policy is to provide information and guidance to colleagues, individuals and businesses working with or for us in the provision of services.

If you have any questions or concerns at any time around any matters covered, or possibly covered, by this policy please speak to your manager or if you prefer, to the Company Secretary (in confidence)

What is bribery and corruption?

Bribery is defined as **the receiving/offering/seeking/giving of a financial advantage in order to induce a person to give improper assistance in breach of their duty, or to otherwise influence someone with the underlying purpose of obtaining/retaining business, or any advantage in the course of business.**

Examples include:

- a cash payment, holiday or other inducement to award a contract to DX, or for DX to award a contract to someone else; and
- the offer of money or the promise of a job in return for providing confidential information.

A bribe is not simply a cash payment. It covers the transfer of anything of value and other “advantages” including excessive gifts and/or hospitality. DX has a separate Gifts & Hospitality Policy, which is linked to this policy and should be followed if you have any involvement in giving or receiving gifts and/or hospitality.

The Bribery Act 2010 updated and extended the law in the UK in relation to bribery and corruption. DX will uphold all laws relevant to countering bribery and corruption in any jurisdiction in which we operate. However, we are bound by the Bribery Act 2010, in respect of our conduct both at home and abroad.

Individuals

Under the Bribery Act it is an offence for individuals to:

- Offer, promise or give a bribe; and/or
- Request, agree to receive or accept a bribe; and/or
- Bribe a Foreign Public Official*

*This will very rarely be a risk to DX but beware of requests for “grease payments” or other **facilitation payments** (as defined in Schedule 2 below) from (for example) border and customs officials.

Dishonesty does not need to be proved. This means ignorance or a genuine belief is not a defence. Penalties include an unlimited fine and/or up to 10 years imprisonment.

The Company (DX)

Businesses can be guilty of an offence under the Bribery Act if they **fail to prevent bribery**.

An offence is committed where a person “associated with the business” bribes another person, intending to obtain or retain business or an advantage for the business. Passive acquiescence (a “nod and a wink” or staying silent in response to a suggestion) can amount to an offence.

A person is “associated with the business” if they are an employee, agent, subsidiary or joint venture partner of the business.

The law is drawn deliberately widely.

A business found guilty of the corporate offence of “failing to prevent bribery” can face unlimited fines. **Any prosecution could also lead to us being excluded from tendering for public contracts and facing substantial damage to our reputation.**

We all, therefore, have a common interest in ensuring our colleagues and those who interact with our business are aware of the Bribery Act offences. Bribery and corruption are treated as potentially Gross Misconduct within the DX Disciplinary Policy.

Employees

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

We may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

The only defence a business has to prosecution is to demonstrate that it has “**adequate procedures**” in place which are designed to prevent bribery.

This revised policy, awareness campaigns, training and the ability to **seek advice from the Head of Legal** form those adequate procedures. Our approach will be regularly reviewed and updated to ensure that we continue to operate “adequate procedures”.

It is vitally important that each of us take this policy seriously in all of our dealings on behalf of DX.

Personal responsibility

WE ARE ALL PERSONALLY RESPONSIBLE FOR:

- Reading, understanding and complying with this policy;
- Our own ethical and professional conduct and for seeking to ensure that anyone for whom we have line management responsibility complies with this policy;
- Obtaining advice and guidance where necessary;

- Reporting any suspected breach of the policy, or suspected future breach or any concerns as to the behaviour of others as soon as possible to your line manager or the Company Secretary; and
- Avoiding any activity that might lead to, or suggest a breach of this policy

ADDITIONALLY, DIRECTORS AND SENIOR MANAGERS ARE PERSONALLY RESPONSIBLE FOR:

- Monitoring compliance in all areas for which they are responsible; and
- Monitoring compliance by all those with whom they engage on behalf of the business.

DIRECTORS AND SENIOR MANAGERS MUST LEAD BY EXAMPLE, BY:

- Demonstrating commitment to compliance as the right thing to do and not merely “box ticking”;
- Remaining alert to risks; and
- Promoting awareness and compliance

Those with whom we deal:

DX expects a high level of commitment in the implementation of suitable anti-bribery and corruption prevention policies. As such, DX will avoid trading with businesses without adequate due diligence procedures in place. Effective financial and audit controls will be implemented and maintained in order to identify any potential and actual irregularities.

Further Information:

Schedule 1 to this policy sets out certain warning signs to look for.

Schedule 2 gives examples of what to do, and what not to do if dealing with any **Governmental bodies** including advice around facilitation payments and kickbacks.

Schedule 3 to this policy contains more detailed guidance on:

- **Gifts & hospitality** – and our related policy to which you should refer if you are ever considering accepting the offer of a gift or offer of hospitality OR if they are ever offered to you OR if you are considering whether to offer a gift or offer of hospitality. It is accepted that this is likely to apply to a limited number of DX employees, but if in doubt please refer to the Gifts & Hospitality Policy, and if necessary seek advice **before** acting.
- **Charitable donations**
- **Political donations**

Please refer to the Schedules to learn more on these areas if you are a Director or Senior Manager, or if they might be relevant to your role. If in doubt, please read and if necessary seek advice from the Company Secretary.

Record keeping

DX is obliged to keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties, and other audit records. Colleagues are asked to raise any suspicions or concerns with their manager, Personnel team or any member of the Operating Board, and may request additional details from other parties for the reasons

for any payments. You may also use the Whistleblowing Policy, in confidence to notify any suspicions or concerns.

How to raise a concern

You are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage.

If you are offered a bribe, or are asked to make one, or if you believe or suspect that any bribery, corruption or other breach of this policy has occurred or may occur, you must notify your manager or the Company Secretary OR report it in accordance with our Whistleblowing Policy as soon as possible.

If you are unsure about whether a particular act might constitute bribery or corruption, please raise it with your manager or the Company Secretary.

In conclusion

If you are in any doubt about the information contained within this policy please speak to your manager, or for external parties, your contact at DX.

We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in any acts of 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. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. If you believe that you have suffered any such treatment, you should inform your manager or the Company Secretary immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure. Our Whistleblowing Policy is designed to allow employees to raise concerns if that is the route with which they feel most comfortable.

Russell Deards

Company Secretary & Head of Legal

DX (Group) Plc

russell.deards@thedx.co.uk

(And covering DX Network Services Limited and DX Network Services Ireland Limited)

1st June 2021

SCHEDULE 1 TO ANTI-BRIBERY & CORRUPTION POLICY – WARNING SIGNS

DO	<u>DON'T</u>
Remain alert to the risks of bribery & corruption.	Engage in any activity which could potentially breach this policy and/or the law.
Seek guidance if you are at all unsure <u>before</u> acting.	Attempt to induce anyone else to do something which you suspect might be illegal or in breach of this policy.
Seek guidance if you are approached to do anything which makes you uncomfortable or which you suspect may be illegal.	Be persuaded by others to do something with which you feel uncomfortable.
Report any concerns you have as soon as possible – please refer to our whistleblowing policy.	Fail to report concerns.

Warning signs - Example indicators of possible corruption:

- Abnormal payments, particularly in cash
- Pressure exerted for payments to be made urgently or ahead of schedule
- Abnormally high commission payments
- Lavish gifts/hospitality
- An individual not taking time off and insisting on being the only contact with a particular business
- Unexpected or illogical decisions being made
- Failure to follow sign off procedures
- Agreeing to particularly unfavourable terms, including low or negative margins
- An unexplained preference for particular suppliers
- Avoiding independent checks
- Excluding departments/functions from a process with which they are ordinarily involved
- Invoices being agreed in excess of contract prices without reasonable excuse
- Large contractual variations being raised post contract without a reasonable justification
- Missing documents from filing systems
- Company procedures/processes being ignored/not followed
- Payment of unusually high expenses
- Circumventing recruitment processes and checks
- Seeking “favours” from Suppliers – which may also create the risk of a demand for a “favour in return”
- Looking for ways to circumvent policies and procedures
- An extravagant lifestyle compared to the perception of their earnings

Before doing anything, STOP and consider:

“Would I be happy to read about what I am about to do in any newspaper or news website?”

“Would I feel comfortable explaining my actions to my family?”

SCHEDULE 2 TO ANTI-BRIBERY & CORRUPTION POLICY – DEALING WITH GOVERNMENTAL BODIES

You should take extra care when dealing with governmental bodies and government officials (including central and local government)

A **government official** is:

- An officer or employee of a government (for example civil servants, local government officials and members of the armed forces)
- An employee of a business in which a governmental body has an interest/influence (for example Highways England)
- A political party or a candidate for political office
- Any person known or suspected to be a close family member of any **government official**.

Facilitation payments and kickbacks

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

Facilitation payments are generally defined as small, unofficial payments used for the purpose of expediting or facilitating routine government action by a government official. Kickbacks are bribes made in return for a Company to gain. DX Colleagues must not be involved in any action that might bring about, or suggest, that a facilitation payment or kickback will be made or accepted by DX.

<u>DO</u>	<u>DON'T</u>
Ensure you are familiar with and abide by any special requirements in government contracts	Deviate from contractual commitments without an official variation being confirmed
Be aware of the particular risk around facilitation payments and "kickbacks"	Mislead any government or regulatory official
Cooperate with any officials conducting regulatory enquiries or investigations	Attempt to obstruct any investigation or enquiry

SCHEDULE 3 TO ANTI-BRIBERY & CORRUPTION POLICY – FURTHER GUIDANCE

Gifts and Hospitality:

All DX colleagues are under an obligation to refuse all but the most minimal of gifts, and disclose any offer or gifts and hospitality to DX on an internal gift register, which is held on the DXchange. Please refer to the **Gifts & Hospitality Policy** for more detailed guidance.

Donations

DX supports charities and local communities through donations and fundraising events. We only make charitable donations that are legal and ethical. No donation must be offered or made without the prior written approval of David Mulligan (CFO), Paul Ibbetson (Managing Director DX Freight), or Martin Illidge (Managing Director DX Express)

Political Donations

We do not, and you must not make illegal or inappropriate contributions to candidates for public office, political parties or other political organisation. Any such proposed donation can only be made with the prior written approval of the CEO of DX.