

1 Oct 2013

Aquilant's ANTI-BRIBERY & CORRUPTION

Policy & Guidelines (v2)

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Policy Statement of the Managing Director

(Aquilant)

As a UD Healthcare plc business, we are committed to conducting business in an open, honest and ethical manner. This policy sets out the standards expected of all parties and individuals (including employees) working on its behalf to maintain the same high professional standards in relation to anti-bribery and corruption.

Part of our commitment to these values is to adhere strictly to relevant laws in relation to corruption including: Ireland's Prevention of Corruption Acts 1889-2010; the UK Bribery Act 2010; and the US Foreign Corrupt Practices Act 1977, where they are directly relevant to our operations or where they set the standards that we consider it is important to follow.

The Anti-Corruption Policy and Guidelines reflect our **zero tolerance** approach to corrupt conduct of all kinds. In all our business dealings, we aim to operate with the highest level of integrity. Similarly, we expect that none of our relationships with customers, suppliers or other partners should be tainted by improper conduct. We expect that third parties who perform services for or on behalf of our business unit adhere to the policy or have in place equivalent policies and procedures to combat bribery and corruption.

There are important obligations for all our employees in these Guidelines. These include standards of conduct all our employees must abide by as well as duties to report any concerns or suspected breaches of these Guidelines by others.

These Guidelines have been finalised following a review we have undertaken of our major corruption risks and in particular as a result of the UK Bribery Act 2010, as a business unit within the UDG Healthcare plc group.

These Guidelines form part of a range of measures that we are implementing in relation to anti-corruption compliance. With the vigilance and cooperation of all our employees, we, together, can address this issue, and demonstrate our commitment to our values.

The Company requires compliance with this Policy for ethical, moral and legal reasons. However, compliance with this Policy also plays a major role in the commercial success of the Company. The Company strongly believes that adherence to this Policy benefits its business, by attracting ethically-motivated clients and enhancing the Company's reputation and third parties' trust in the Company.

If you have any questions about these Guidelines or any other issues regarding the Bribery Act 2010, please contact any of the management team or our Compliance Manager (*contact is in section 13*).

1 Oct 2013



Padraic Dempsey

Managing Director

I. OVERALL APPROACH ON BRIBERY

AQUILANT is committed to conducting its business in an open, honest and ethical manner. It takes a **zero tolerance approach** to all forms of corruption. This policy sets out the standards expected of all Business Unit employees in relation to anti-bribery and corruption. It supplements the Group's Code of Conduct – which itself also contains an express prohibition on all forms of bribery and corrupt activity.

Part of our commitment to our values is to adhere strictly to relevant laws in relation to corruption including the UK Bribery Act 2010 and the US Foreign Corrupt Practices Act 1977, where they are directly relevant to our Company operations or where they set the standards that we, as a Company, consider it is imperative to follow.

I.1 What is Bribery?

- (a) There is no common definition of bribery across different jurisdictions or in different local laws. AQUILANT has decided to develop this policy in compliance with UK Bribery Act standards, although the Act may not be directly applicable to all of its Business Unit subsidiary operations.
- (b) The UK Bribery Act 2010 defines corruption offences very widely to include commercial bribery as well as bribery of public officials. These Guidelines provide more information about the standards required by this UK law, because these are the standards of conduct all employees of Aquilant must adhere to.
- (c) As a simple summary of the key provisions in the Act, employees should follow these three principles:
 - **Do not make payments to someone (or favour them in any other way) if you know that this will involve someone in misuse of their position.**
 - **Do not misuse your position in connection with payments (or other favours) for yourself or others.**
 - **Do not deliberately use advantages to try to influence foreign public officials for business reasons. If you need to promote Aquilant business with a foreign public official, always check in advance with Management.**

I.2 What is a bribe?

- (a) A bribe does not need to be a monetary sum. It can be any form of advantage: for example, an award of a contract; lavish hospitality or gifts given to customers, suppliers or public officials; or an offer of employment.
- (b) A recipient of a bribe does not need to benefit personally. For example, they could nominate another party to be given an advantage.

- (c) Actual payment of a bribe does not need to occur for there to be a criminal offence. An offer or request would be sufficient. For example, the offer of a bribe in the context of the procurement of a contract.
- (d) Sometimes offering or making a payment (or performing some other favour) is an act of bribery in itself – where the payment or favour is in itself improper. The recipient does not necessarily need to do anything else as a consequence.
- (e) The sectors in which Aquilant operates are not immune from the risks of corruption. We need to be prepared in case as a group of companies or as individuals we are confronted with requests for bribes or other corrupt activity involving third parties. Particular care and vigilance should be taken in high risk jurisdictions perceived to have higher levels of corruption as the Group's operations expand internationally.

2. KEY PROVISIONS OF THESE GUIDELINES – "DO'S AND DON'TS"

2.1 Core Rules

- **Do not offer, promise or pay bribes.**
- **Do not request, agree to or accept bribes.**
- **Do not facilitate the payment of bribes.**

2.2 Hospitality and Gifts (whether offered or accepted) – Fundamental Principles

- (a) These Guidelines apply to all gifts, hospitality and entertainment that you **receive** or **offer** in the course of your employment at Aquilant or which are otherwise connected, directly or indirectly, to the Company's business dealings
- (b) The Guidelines apply whether a gift, entertainment or hospitality is paid for by someone personally or is reimbursed by a company. The Guidelines also introduce an approval process and reporting obligations for gifts, entertainment and hospitality over particular limits and in certain other cases.
- (c) In most cases, reasonable ordinary levels of hospitality (and related expenditure) intended to foster cordial business relationships and promote Aquilant's image will be acceptable under these Guidelines and the law.
- (d) This policy does not prohibit entertainment and hospitality (whether given or received) with third parties where it is normal and appropriate in a particular business relationship or context **and** where it is **not** provided:
 - with the intention of improperly influencing a person to obtain or retain business or a business advantage; or
 - with the intention of rewarding a person for improperly providing business or a business advantage.
- (e) Key considerations are:
 - (i) whether the expenditure was proportionate with regard to the recipient and their organisation;
 - (ii) whether the scale of the expenditure fell within the confines of this policy, and if not, whether special permission for it had been sought at the appropriate level within the organisation;
 - (iii) whether the expenditure had been recorded; and
 - (iv) whether the recipient was entitled to receive the gift or hospitality under the law of the recipient's country.
- (f) If in doubt, you should contact a senior line manager or the AQUILANT Compliance Manager for guidance in advance of offering or receiving entertainment and hospitality.

2.3 Corporate Hospitality - Specific Rules

(a) What is entertainment and hospitality?

- Entertainment and hospitality can include any attendance at social events, functions, or other occasions, business lunches and drinks, evening dinners, whether they include a business purposes or not and whether received or offered.

(b) Where no prior approval or reporting is required

- Ordinary business meals with someone with whom the company does business in the private sector, up to **€100 / £100 per person or €250 / £250 in aggregate per quarter per person.**
- Occasional attendance at sporting, theatre and other cultural events with someone with whom the company does business in the private sector, provided these do not exceed the above limits.

(c) When you will need approval from Management and when reporting is required

- Any hospitality or entertainment more than to **€100 / £100 per person or €250 / £250 in aggregate per quarter per person.**
- Any hospitality or entertainment where there is potential for a conflict of interests.
- Any hospitality or entertainment where there is any risk that it might be misconstrued as improperly influencing. For example, in a scenario where hospitality is close in time to the award of a contract in a competitive context.

(d) When it is not permitted

- **It is Group policy that hospitality or entertainment are not to be provided to a public official.**
- **Hospitality that is related in time to some actual or anticipated business with the recipient, particularly in a competitive context.**
- **There should be no add-ons to approved or permitted hospitality, such as inappropriate overnight accommodation, travel costs, or sundry or lavish expenses.**
- **No hospitality should be accepted or offered if it could be perceived to be lavish or excessive or not in proportion to the recipient.**
- **Any hospitality that contravenes any rules applying to the individual to whom the hospitality is offered (i.e. any policy that another organisation has in place) or any laws applying to that other person (whether in Ireland, the UK, the US or elsewhere). Any such rules or laws must be complied with.**



Gifts

- (e) **What are gifts?**
- Gifts include any token of appreciation and gratitude, gift vouchers, cash, physical gifts (e.g. a bottle of wine) or other items of value (e.g. sports tickets) – whether received or offered.
- (f) **Where no prior approval or reporting is required**
- Gifts of nominal value, such as Aquilant stationery and promotional material.
 - Modest gifts of up to **€100 / £100 per person to our business partners** in the private sector where these are customary in normal business dealings (e.g. over Christmas period). If you have concerns that the gift may be misconstrued as improperly influencing the recipient, it should not be made.
 - Receipt of modest gifts of up to **€100 / £100 per person from our business partners** in the private sector where these are customary in normal business dealings (e.g. a low value token of appreciation received in the Christmas period). If you have any concerns that the gift is provided in an attempt to improperly influence the work we do as a company, it should be politely declined.
- (g) **Where prior approval from a Senior Line Manager or the Compliance Manager AND reporting are required**
- Gifts with a value more than **€100 / £100 per person per person or €250 / £250 per person in aggregate per quarter per person.**
- (h) **Do not offer or accept the following:**
- **Gifts of cash;**
 - **Gifts that are intended as a bribe;**
 - **Gifts in lieu of normal remuneration, or payment of fees, or salary;**
 - **Any gifts where these are prohibited by the organisation for which the recipient or offer or works;**
 - **Gifts in the form of services or other non-cash benefits, such as the promise of employment;**
 - **Gifts relating in time to some actual or anticipated business with the recipient, particularly in a competitive context;**
 - **Gifts to any public officials, any person performing public functions, and any person working for a state-owned or stated controlled enterprises;**

- **Any other gift where there is a risk or perception that it improperly influences or might be misconstrued as a reward, an inducement or other corrupt act;**
- **Any gift that the recipient is not entitled to receive under the law of the recipient's country;**
- **Gifts that contravene any rules applying to the individual to whom the gift is offered (i.e. any policy that another organisation has in place) or any laws applying to that other person (whether in Ireland, the UK, the US or elsewhere). Any such rules or laws must be complied with;**
- **Any gift where there have been any unjustifiable 'add-ons'.**

2.4 Reporting hospitality, entertainment and gifts

- (a) Aquilant has introduced a gifts, entertainment and hospitality register (simply referred to as THE GIFTS & HOSPITALITY REGISTER). The register is maintained for all staff to complete and is with their respective line manager. It is reviewed on a periodic basis by the Compliance Manager and the M&S Leadership.
- (b) All hospitality and entertainment more than **€100 / £100 per person or €250 / £250 in aggregate per quarter per person** must be recorded in the Gifts and Hospitality Register.
- (c) Any gift with a value more than **€50 / £50 per person or €150 / £150 in aggregate per quarter per person** must be recorded in the Gifts and Hospitality Register.
- (d) In all the above circumstances, the following details must be recorded on the register:-
 - Full particulars of the other party
 - The business context, details of the relationship, and purpose for the expenditure
 - The details of approval sought and obtained from a senior manager / department head or the M&S Compliance Manager, where applicable
 - Whether you have received/offered any gift, hospitality or entertainment to the other party in the previous 12 months

If you are unsure about the acceptability of any gift, entertainment or hospitality, please consult a senior manager / department head or the M&S Compliance Manager.

2.5 Charitable Donations

- (a) Before any charitable donation is given on behalf of Aquilant, prior authorisation must be obtained from a senior manager / department head or the M&S Compliance Manager. All donations of any kind must be transparent. It should be possible at all times for the person initiating the donation to justify the reasons for a donation and to be accountable for it.
- (b) The following information must be obtained before making, promising or giving any donation and should be retained for the records:
 - Who is nominating the particular organisation and how has the relationship come about
 - Details of the proposed recipient organisation
 - The proposed amount of the donation
 - The specific purpose of the donation
- (c) In any instance of charitable giving there must be an accurate receipt or letter of acknowledgement for any donation.
- (d) All charitable donations should be recorded accurately in our financial records and accounts.
- (e) Requests for charitable donations can sometimes mask corrupt activity. No charitable donations should be made if these could be construed as improperly influencing another party with whom Aquilant has a business relationship. Should you have any ethical concerns about a proposed charitable donation, you should report this immediately to the M&S Compliance Manager, your senior line management, department head or via our Group Whistle blowing Helpline.

2.6 Political donations

- (a) **It is not the Aquilant's policy to make political donations and any donations made on behalf of the company by any individual will be deemed a violation of this policy.**

2.7 Facilitation Payments

- (a) Facilitation payments are typically small unofficial payments paid to speed up an administrative process or to secure a routine government action by an official. They are most frequently encountered in foreign jurisdictions with perceived high corruption risks, but it is possible that they could arise in the UK.
- (b) Facilitation payments are bribes under the Bribery Act.
- (c) Examples of when such payments may be requested include:
 - To obtain or expedite a permit, licence or other official document or approval
 - To obtain or expedite the loading and unloading of goods at a port or airport
 - To secure police protection for a site against risk of theft or arson

- To facilitate mail pick-up and delivery
 - To facilitate provision of utilities to a site, such as connecting water, electricity, gas or telephone services
 - At border controls or crossings to allow safe or prompt entry or exit from a jurisdiction
- (d) Facilitation payments should be contrasted with official, lawful payments (typically to an organisation rather than an individual) to expedite certain functions (e.g. where there is a choice of fast track services to obtain a passport).
- (e) **UDG Healthcare plc and Aquilant's policy strictly prohibits any kind of facilitation payments made by employees, agents or third parties acting on its behalf.**
- (f) If you are unsure as to the validity of an official's request for a payment, the steps below should be followed as far as they are applicable and as far as it is possible for you to do so without putting your personal safety or security at risk:
- if possible contact your line manager or supervisor immediately
 - ask the official for proof of the validity of the fee
 - request that a receipt be provided confirming the validity of the payment
 - if no proof of validity will be provided, politely decline to make the payment and explain you cannot make the payment because of company policy and anti-bribery laws
 - if possible ask to see the official's supervisor
 - make a full note of the request, the circumstances and the parties involved
 - at all times remain calm, respectful and polite

IF YOU FIND YOU ARE IN FEAR FOR YOUR SAFETY OR AT RISK OF LOSS OF LIBERTY, DO NOT REFUSE THE PAYMENT

IN ALL CIRCUMSTANCES REPORT ANY DEMAND FOR FACILITATION PAYMENTS IMMEDIATELY TO A SENIOR LINE MANAGER, DEPARTMENT HEAD OR THE M&S COMPLIANCE MANAGER.

2.8 Whistle blowing and Reporting

- (a) Supporting our '**zero-tolerance**' policy towards anti-corruption means we expect all members of our Company to take compliance in this area seriously and encourage others to do the same.
- (b) As a Company, we encourage all staff to report any concerns about corruption that they encounter and make sure that suspicious behaviour does not go unchallenged.
- (c) It is therefore important that if you suspect that any Aquilant employee or others working on our behalf may have or is about to engage in any corrupt conduct, or if you are approached by any other person who attempts to persuade you to engage in any conduct described, then you should report it immediately.
- (d) It is better to voice your concerns, however minor they seem, than stay silent and allow potential wrongdoing to go unchecked or not investigated properly. As a Company, we will support anyone who raises concerns in good faith. This includes ensuring that no one in our organisation will suffer any detriment for refusing to accept or pay bribes, or if they report concerns they have about others' conduct.
- (e) A deliberate failure to speak up when there was clear evidence of corruption by others can itself lead to disciplinary action. Failure to report concerns can result in prohibited activity damaging our business - and may suggest we as a Company or individual members of staff have been complicit in this behaviour.
- (f) All members of staff should be assured that reporting of any concerns will be handled sensitively. You should report any suspicion corruption **to the M&S Compliance Manager** or, if you feel more comfortable, to the anonymous Group Whistle blowing Helpline.

2.9 Record Keeping

- (a) The Company must keep accurate financial and other records and have appropriate internal controls in place which will evidence the business reason for making payments to any third parties (such as anyone who provides services for or on behalf the Company).
- (b) Employees must apply these principles in all aspects of their work and to the section of the Company's Code of Conduct on Accurate Reporting and Accounts.

2.10 **How to report?**

(a) Aquilant operates a free to call **24 hour, multilingual Confidential Hotline** in order to allow employees to anonymously raise concerns related to:

- **Suspected breaches of the UD Anti-Bribery & Corruption Policy or Code of Conduct**
- **Serious misconduct or breaches of the law**
- **Financial malpractice or fraud**
- **Serious Quality or Health & Safety issues**

The Confidential Hotline is available for reporting the issues noted and is not a substitute for local grievance procedures or a channel to raise matters relating to terms and conditions of employment.

(b) The 24 hour hotline is currently operated by Expolink UK and is available in the following jurisdictions in which Aquilant operates via the free phone numbers listed, specifically:

- **Republic of Ireland - 1800567014**
- **United Kingdom - 0800374199**
- **Belgium - 080071025**
- **Netherlands - 08000229026**
- **U.S.A. - 18775335310**

3. WHO IS COVERED BY THESE GUIDELINES?

3.1 These Guidelines apply to all individuals working in Aquilant, including:

- **Directors**
- **Employees**
- **Contract, agency and temporary staff**
- **Trainees, apprentices and interns**

3.2 In addition, we expect adherence to these Guidelines or similar standards of conduct to by anyone else associated with our Company, who perform services for us or on our behalf. This includes our agents, brokers, sub-contractors, representatives, distributors, consultants and other service providers.

3.3 To help achieve our expectations of others, these Guidelines will be made available to our business partners and disseminated throughout our business. It is a goal of our senior management team to publicise these Guidelines as widely as possible inside and outside our organisation where appropriate. In many cases, they should be discussed with any party with whom as a Company we are considering doing business to ensure they understand our standards as an organisation.

4. POLICY STATEMENT

4.1 It is Aquilant's policy to conduct business honestly and ethically. Bribery and corruption will not be tolerated within our Company or in any of our business relationships with third parties.

4.2 In the course of their employment or other work for the Company, all employees (and anyone else working for us must comply with these Guidelines and all applicable laws relating to bribery and corruption.

5. WHAT IS THE LAW UNDER THE UK BRIBERY ACT?

5.1 The offences under the Bribery Act are extensive in scope, broadly defined and also allow for corrupt acts committed anywhere in the world to be prosecuted in UK courts. Our standards therefore apply to conduct that occurs both in the UK and where we (or others on our behalf) undertake any business elsewhere.

5.2 The UK law has serious consequences for anyone guilty of an offence. For individuals, a maximum prison sentence of ten years and/or an unlimited fine can be imposed; for companies, an unlimited fine can be imposed. Other measures can include the ability to confiscate company or personal assets, where these are found to be the proceeds of criminal activity. Similarly a company can be debarred from competing for certain contracts if it is found to have committed a corruption offence. For example, a conviction for active corruption would lead to mandatory exclusion under EU law from carrying out public contracts in the EU. The adverse publicity and financial loss of a conviction would be very serious for our business.

5.3 The UK Bribery Act includes a new offence of failure of commercial organisations, which may include Aquilant, to prevent bribery. This offence is designed to make companies that carry on a business in the UK (or part of a business in the UK) responsible for bribery on their behalf, wherever in the world such bribery takes place. Affected companies have a legal

responsibility under the Act to prevent bribery by any employees or any third parties on their behalf.

6. OFFENCES UNDER THE UK BRIBERY ACT

6.1 Main Offences

- (a) The Bribery Act contains four main offences:
- **Paying bribes** (applicable to individuals and companies subject to the UK law)
 - **Receiving bribes** (applicable to individuals and companies subject to the UK law)
 - **Bribery of a foreign public official** (applicable to individuals and companies subject to the UK law)
 - **Failure to prevent bribery** (applicable to companies subject to the UK law)
- (b) In addition, under UK law, if anyone at senior management level turns a blind eye, consents or connives in act of bribery by a company, they can be separately prosecuted as well.
- (c) All employees of Aquilant must comply with all applicable corruption laws affecting them, as well as the standards of the UK Bribery Act, and should report to senior management or the M&S Compliance Manager, or (if they feel more comfortable) via the anonymous Group Whistle Blowing helpline, any suspicion that others, whether employed by Aquilant or not, have failed to comply.

6.2 Paying bribes – the UK law standard

- (a) It is an offence if you offer, promise or give a financial or other advantage with the intention of inducing another person to **perform a function or activity improperly** or to reward that person for doing so.
- (b) However, it is not necessary to prove you intended this consequence in all cases: it is also an offence if you know or believe that acceptance of the advantage by another is in itself an improper performance of their function or activity.

6.3 Receiving bribes – the UK law standard

- (a) It is an offence if you request, or agree to accept, or receive a financial or other advantage intending that a **function or activity** should be **performed improperly** as a result.
- (b) It is also an offence:
- where your request or receipt of the advantage is in itself an improper performance of a function or activity;
 - where your request or receipt is a reward for your or someone else's improper performance in the past; and
 - where your improper performance takes place in anticipation or as a consequence of a request or receipt of an advantage.

- (c) In these other scenarios, it does not matter whether you know or believe that the performance of a function or activity is improper.

6.4 What does improper performance mean?

- (a) Whether an activity or function is **performed improperly** will be measured on an objective basis, not necessarily on your own perception of the circumstances of the activity. The test will be whether a function has been performed in breach of how a reasonable person in the UK would expect it should be performed.
- (b) This means:
- Customary or historic practices will not necessarily be acceptable – it is no defence that a payment was made in the past.
 - Low level corruption or mutual favours are still criminal - it does not matter that no money changed hands, or that you received no personal benefit.
 - Turning a blind eye to bribery by others will also be a breach of these Guidelines and can also facilitate an offence under the Bribery Act.

6.5 Bribery of a foreign public official – the UK law standard

- (a) It is an offence if you offer or give a financial or other advantage to a foreign public official with the intention of influencing the foreign public official and to obtain or retain business or a business advantage. This is a low threshold for the offence to be committed as it does not require an intention that the official exercises his role improperly; it is sufficient that the offer is made to influence and to obtain or retain business or a business advantage.
- (b) There is a very limited exception where the foreign official is permitted or required by written law to be influenced in this way.
- (c) There is no exemption for “facilitation payments” under UK law (see also section of these Guidelines relating to Facilitation Payments).
- (d) If you need to promote Aquilant 's business with a foreign public official, you should contact a senior line manager or the M&S Compliance Manager in advance to confirm what steps you can and cannot take.

6.6 Failure of commercial organisations to prevent bribery – the UK law standard

- (a) It is an offence for a commercial organisation under the Bribery Act if a person associated with the organisation bribes another person intending to:
- obtain or retain business for the organisation; or
 - obtain or retain an advantage in the conduct of business for the organisation.



- (b) A person is associated with an organisation if they perform services for or on its behalf.
- (c) Applying the UK law standard to the Aquilant group, this is a wide category of people where as a Company we may have a potential liability for their acts. It would not matter in what capacity they act for us. Associated persons would include all employees of our Company and others outside of our organisation.
- (d) It is a defence for a commercial organisation to the failure to prevent offence if it demonstrates that it has adequate procedures in place designed to prevent bribery.
- (e) These Guidelines are part of Aquilant's wider programme of anti-corruption measures designed to prevent bribery by anyone associated with the Company, including risk assessment work and the training of staff.

7. DEALING WITH AGENTS AND OTHER THIRD PARTIES

7.1 In some parts of our business, Aquilant may need to engage agents, consultants, sales representatives and other third parties in the conduct of our work. In all parts of our business we engage other types of third party to provide services for us or on our behalf. Agents for third parties may also approach us.

7.2 All appointments of agents and other parties who provide us with services must follow the Company's risk-based due diligence procedures. These Guidelines outline examples of the due diligence required for some of Aquilant's third party relationships, which employees should consider in consultation with management in each case.

7.3 Where Aquilant uses overseas sales agents or overseas representatives, a non-exhaustive list of due diligence steps that may be required are as follows:

- (a) Require the agent to provide details on the following areas of interest:
 - (i) details of the agent's ownership;
 - (ii) details of senior management of the agent;
 - (iii) a copy of the agent's CV (or CVs of key personnel performing services for Aquilant);
 - (iv) details of referees for the agent and key personnel who will be providing services under the proposed agreement;
 - (v) details of other directorships held, existing partnerships, and third-party relationships, and any relevant judicial or regulatory findings about the agent or key personnel of the agent; and
 - (vi) details of the jurisdictions in which the agent operates.
- (b) Undertake research, including reasonable internet research (dependent on risk), on the agent and any individuals who have a degree of control if the agent is a corporate entity.
- (c) Check independently that the agent does not appear on any applicable sanctions list.

- (d) Make enquiries with any relevant authorities, including contacting a commercial attaché at the embassy in the territory where the agent operates, to verify information obtained in the Questionnaire and seek any independent background information about the agent's reputation.
- (e) Take up references and assess responses received.
- (f) Conduct any further enquiries of the agent to clarify any matters arising from the questionnaire, including arranging a face to face meeting if required. There may also be a need to arrange a site visit with the agent in the territory to assess the agent's suitability.
- (g) Ask for copies of the agent's anti-bribery policies and any relevant procedures they operate to prevent bribery and corruption.
- (h) Assess relevant commercial considerations:
 - (i) is the agent's appointment necessary?
 - (ii) does the agent have the required expertise to provide the services?
 - (iii) is the agent going to interact with a public official, or are there any other connections between an agent and a public official?
 - (iv) are the proposed payment terms of the agent reasonable and in accordance with market rate?]

7.4 Joint ventures

- (a) For any overseas Joint Venture, equivalent due diligence steps to those taken for overseas agents should be taken in relation to all Joint Venture Partners.
- (b) In addition, project-specific due diligence will be required for all Joint Ventures in the UK and elsewhere, adopting a risk-based approach.
- (c) All joint ventures require prior approval from the Managing Director or by senior management of Aquilant.

7.5 General

- (a) All appointments of agents and joint venture partners must be monitored and reviewed in accordance with the principles set out above and UDG Healthcare plc's wider due diligence procedures.

8. CORRUPTION INDICATORS

- 8.1 If Aquilant employees have reason to suspect that an agent or another third party is engaged in potentially improper or corrupt conduct, no further payments should be made until this has been reported to Senior Line Management or the M&S Compliance Manager and advice on further steps is obtained.
- 8.2 Below is a non-exhaustive list of some indicators of corruption which highlight warning signs to look out for:-



- (a) Abnormal cash payments
- (b) Pressure exerted for payments to be made urgently or ahead of schedule
- (c) Payments being made through 3rd party country, e.g. goods or services supplied to country 'A' but payment is being made, usually to a shell company in country 'B'
- (d) Abnormally high commission percentage being paid to a particular agency. This may be split into 2 accounts for the same agent, often in different jurisdictions
- (e) Private meetings with public contractors or companies hoping to tender for contracts
- (f) Lavish gifts being received
- (g) Individual never takes time off even if ill, or holidays, or insists on dealing with specific contractors him/herself
- (h) Making unexpected or illogical decisions accepting projects or contracts
- (i) Unusually smooth process of cases where individual does not have the expected level of knowledge or expertise
- (j) Abusing decision process or delegated powers in specific cases
- (k) Agreeing contracts not favourable to the organisation either with terms or time period
- (l) Unexplained preference for certain contractors during tendering period
- (m) Avoidance of independent checks on tendering or contracting processes
- (n) Raising barriers around specific roles or departments which are key in the tendering/contracting process
- (o) Bypassing normal tendering/contractors procedure
- (p) Invoices being agreed in excess of contract without reasonable cause
- (q) Missing documents or records regarding meetings or decisions
- (r) Company procedures or guidelines not being followed
- (s) The payment of, or making funds available for, high value expenses or school fees etc. on behalf of others.

9. YOUR RESPONSIBILITIES

- 9.1 You must ensure that you read, understand and comply with these Guidelines.
- 9.2 Any employee who breaches these Guidelines will face disciplinary action, which could result in dismissal for gross misconduct.
- 9.3 All of the Company's managers, at every level, have a specific responsibility to facilitate the operation of this Policy and to ensure that workers for whom they have responsibility understand it and the reasons it is in place, and also to ensure that those workers comply

with it at all times. Managers should seek clarity on any areas they are unsure of from a senior manager or the M&S Compliance Manager and should report certain events promptly (as described in this Policy).

10. RECORD-KEEPING

- 10.1 As a Company, we must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to any third parties (such as anyone who provides services for or on our behalf).
- 10.2 You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.
- 10.3 All accounts, invoices and other records relating to dealings with customers, suppliers and other business partners should be prepared and maintained accurately and with completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

11. WHAT TO DO IF YOU ARE A VICTIM OF BRIBERY OR CORRUPTION

- 11.1 It is important that you inform Senior Line Management, the M&S Compliance Manager or our Group Whistle blowing Helpline as soon as possible if you are offered a bribe by a third party, are asked to make one, or suspect that this may happen in the future.

12. TRAINING

- 12.1 Relevant training on these Guidelines forms part of the induction process for new employees of Aquilant. Similarly, existing members of staff will receive regular training on how to implement and adhere to these Guidelines.
- 12.2 Aquilant will also be providing face-to-face and e-learning training on anti-corruption to relevant groups of Aquilant managers and employees. This training is mandatory under this policy.

13. WHO IS RESPONSIBLE FOR THE POLICY?

- 13.1 The Board of Aquilant has overall responsibility for ensuring this policy complies with the Company's legal and ethical obligations (whether in Ireland, the UK or elsewhere) and to ensure that everyone in our organisation complies with it.
- 13.2 The Aquilant Compliance Manager (**Bruce Hart**) of Aquilant has primary responsibility for implementing this policy and monitoring its effectiveness with support from the General Counsel (**Leon Atkins**) of UDG Healthcare plc
- 13.3 The management team at all levels are responsible for ensuring those reporting to them are made aware of and understand the policy.

14. **MONITORING AND REVIEW**

- 14.1 The Corporate Governance Advisory Group of United Drug will monitor the effectiveness and review the implementation of this policy in conjunction with the Aquilant Compliance Manager & Senior Leadership of Aquilant. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.
- 14.2 As a part of UDG Healthcare plc, you are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the General Counsel.

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