

EDRINGTON



Anti-Bribery & Corruption Policy



INTRODUCTION

At Edrington we are proud of our reputation as an integrity driven, trusted and respected business. We do not tolerate any form of corruption by employees or business partners who act on our behalf regardless of value.

This policy is aimed at protecting both our people and our business by arming you with the knowledge of what to do in situations that may arise as part of your role and who to contact for advice.

In this policy you will find:

- the responsibilities of all individuals working for, and with us,
- how to recognise corrupt transactions,
- how to ensure fraud prevention,
- how to manage difficult situations faced on a day to day basis, and
- how to ask questions and report any concerns for further action.

Compliance with this policy is compulsory. Non-compliance with Anti-Bribery & Corruption regulations can lead to significant fines or even imprisonment in severe instances.





OUR POSITION

We do not tolerate bribery, fraud or corruption in any form

We do not offer, give, ask for or receive bribes or any improper advantages for business gain

We maintain our integrity and independence from the third parties by not allowing ourselves to build a sense of obligation towards them

We do not tolerate any form of corruption (direct or indirect) by employees or business partners who act on our behalf

This applies to any form of bribe of any value, and is not limited to cash



OUR RESPONSIBILITY (I)

We must all take special care to ensure our actions cannot be interpreted as bribery or fraudulent in nature, especially in these areas:



GIFTS



HOSPITALITY



ENTERTAINMENT



DONATIONS



CUSTOMER TRAVEL



TRADE INCENTIVES



POLITICAL
CONTRIBUTIONS



LOBBYING



OUR RESPONSIBILITY (II)



BUILD & MAINTAIN RELIABLE RELATIONSHIPS

Our relationships with our business partners and government officials do not create bribery or corruption risks



TRANSPARENT OPERATIONS

We demonstrate our integrity by recording all transactions completely and accurately in our financial records

If you have a suspicion or knowledge of bribery taking place or are offered a bribe, you MUST refuse it, and report it promptly to Legal, HR or using Edrington's Speak Up process



KEY DO'S AND DON'TS



DO:

- Know who you are interacting with - perform adequate due diligence on all vendors and customers prior to any interactions in accordance with KY3P.
- Consider how the offer of something of value could be perceived - avoid if it could be seen to be inappropriately influencing any type of decision making
- Ensure you know and follow the policy for giving or receiving gifts, hospitality or entertainment



DON'T:

- Accept or receive anything of value outside the requirements of this policy
- Falsify documentation to cover up bribery or fraud
- Give or accept anything that could impact your decision making or create a sense of obligation
- Try to circumvent the policy by using a third-party as this does not eliminate responsibility



EXAMPLES OF BRIBERY

NONE OF THESE PAYMENTS ARE PERMITTED



Facilitation Payment

A payment made to a Politically Exposed Person to 'speed up' a process

Examples include:

- Paying a customs official to speed up customs
- Paying a council employee to grant permits or licenses



Active Bribery

Offer, promise or give a bribe

Examples include:

- Offering employment to a potential supplier's child/relative for beneficial pricing
- Offering confidential information to a competitor to gain insider knowledge



Passive Bribery

Request, receive or accept a bribe

Examples include:

- 'Kick back' payments for awarding procurement contracts
- Security facilitating site access and theft in exchange for some of the proceeds
- Obtaining preferential pricing for personal work carried out by a supplier that provides goods/services to Edrington

You don't have to make or receive payment for it to be a bribe. The offer or promise is enough



POLITICALLY EXPOSED PERSONS (PEPS)

PEPs are split into two categories, direct and indirect

Direct = Government Official	Examples
Any individual working for a government body or government controlled entity	Police officers, judges, customs officials, civil servants, person working for a state owned company
Any individual holding or performing a public function for a country, public agency or enterprise , international public organisation or providing a public service	MP's, UN Officials, Councillors
Indirect = Politically Exposed Persons	
Immediate and close family members of, or those known to have a close personal relationship with a government official	
Government or political advisors	
Politicians who are not government officials	
Members of a Royal Family	

Interactions with PEPs put the business at risk of appearing to influence decision making.

ALL interactions require enhanced due diligence which includes legal approval.

If unsure: Please Ask

Engagement with PEPs



DO:

- Know who you are interacting with - enhanced due diligence is required for all PEPs and requires approval from the legal team.
- Make sure third parties acting on our behalf are aware of our requirements through a signed contract. If they refuse, consider why and seek advice from the legal team before you proceed.
- Create a strong working relationship and make sure all hospitality is in line with the Gifting and Entertaining policy



DON'T:

- Ask any government official to 'speed up' a process. This is illegal.
- Never give money, monetary equivalents or vouchers to a PEP.
- Never mislead any authorities through the offer or promise of a beneficial arrangement. This is an example of bribery.



GIFTS & ENTERTAINMENT



GIFTS



HOSPITALITY



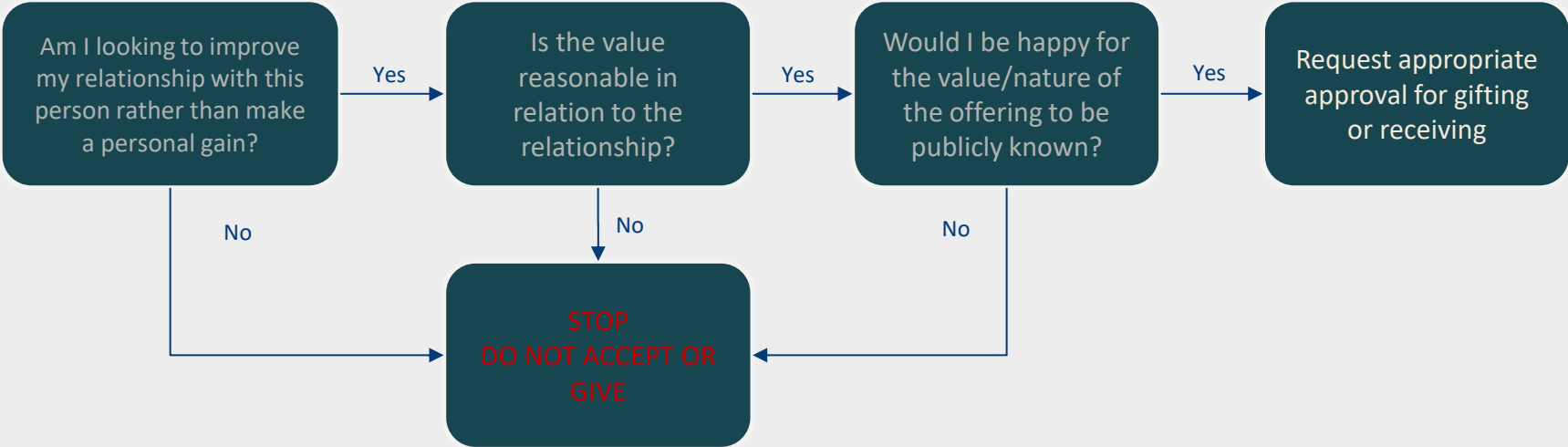
ENTERTAINMENT



CUSTOMER TRAVEL

The occasional acceptance or offer of hospitality, entertaining and gifts can help with good business relations. The key is to make sure that all transactions are completed at an arms length, and they never influence or are seen to influence proper business decision making.

All gifts and entertainment should be approved in line with the Gifting and Entertainment (G&E) Policy. All gifts received > £100 and all gifts given > £100 not through concur should be documented in the G&E Register with supporting paperwork retained. All G&E to or from PEP's should be approved in line with G&E Policy and recorded in the G&E register.



If unsure: Please ask



DONATIONS & SPONSORSHIPS

One of Edrington’s core values is ‘giving’ and all employees are encouraged to take part in giving more days to support local charities in our communities. Additionally, Charitable Donations can be provided.



When providing donations, remember:

- Don’t give cash or cash equivalents (note : cheques are permitted)
- Only provide donations to registered charities
- Keep all documentation and supporting evidence
- Ensure donations are reasonable and approved by the Giving More Committee



Political donations (e.g. to a political party or individual PEP) are expressly prohibited.



Sponsorship is a key tool often associated with Marketing and can be a key strategic element of brand promotion.



Sponsorship giving principles:

- Don’t give cash or cash equivalents
- There should be a clear business purpose for the sponsorship
- The amount given should be proportionate in relation to the benefit received
- Sponsorship must be appropriately authorised in line with Group and/or Local SODA.
- Consult the legal team who will determine whether a sponsorship contract is required

If unsure: Please ask



RECORDING & REPORTING

Where we have concerns we must report



Recording

Any relevant interactions should be recorded on the:

- Gifts and Entertainment Register
- Donations and Sponsorship Register

All interactions with PEPs including Foreign Public Officials require approval from the legal team.

We should make sure that we can identify all third parties that we interact with, the amount spent and the purpose of any activity by keeping accurate records.



Reporting

You must report promptly if:

- You are offered a bribe
- You know of someone in the business who has offered or accepted a bribe
- You suspect non compliance with this policy
- In the first instance you should report to your line Manager. If you feel this isn't appropriate you should report to Legal, HR or via Speak Up



DEALING WITH OUT OF POLICY SITUATIONS

There are extremely limited occasions where the application of this policy can be compromised.



Where the refusal to make a payment puts an employee's personal safety at risk the payment can be made but **MUST BE REPORTED AS SOON AS POSSIBLE**.



Where the application of this policy is not acceptable in a local context, a different way of operating can be agreed through alignment with the policy owner (Head of Assurance, Risk and Compliance) and this exception **MUST BE DOCUMENTED**.





WHI AND HOW TO ASK FOR HELP

If you have any concerns that you wish to report, you can do so as appropriate by contacting:

- Your Line Manager
- Local Senior Management
- Legal
- HR
- Via the Speaking Up process

The Assurance, Risk and Compliance team are also available if you have any concerns or questions on how to best apply the principles of this policy.



RELATED POLICIES

For further detail on the areas referenced within this policy see the following which are located on the ERICA website: [ERICA GLOBAL POLICIES](#)

Conflict of
Interest

Group
SoDA

Know your
Third Party

Charitable
Donations and
Sponsorships

Gifting and
Entertainment

Speaking
Up