Reconomy

Anti-Bribery and Corruption Policy

Approved by: Guy Wakeley
Date reviewed: 07 March 2025

THE QUEEN'S AWARDS FOR ENTERPRISE: INNOVATION 2021

Contents

1. Introduction

Reconomy is an international circular economy specialist that combines technology, skills and incredible people to build sustainability 'loops' that create circular opportunities for business. We do this through a tech enabled, people-powered approach that helps our customers better manage their resources, reduce waste, optimise their supply chains, and contribute in a meaningful way towards the circular economy.

It's not just about doing good; it's about doing good business for others as well as ourselves. That means combining ethical and sustainable practices, with sound future-proofed business strategies.

It is Reconomy's policy to conduct all of its business everywhere in an honest way, and without the use of corrupt practices or acts of bribery to obtain an unfair advantage.

Reconomy is committed 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 harm the societies in which these acts are committed and prevent economic growth and development.

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

This Policy has been adopted by the Board 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 by business partners working for us or on our behalf. Any breach of this Policy will be regarded as a serious matter by Reconomy and is likely to result in disciplinary action or immediate termination of contracts in respect of our suppliers, if after investigation they are found to be at fault.

Within this Policy, 'Company' refers to all companies within the Reconomy Group.

The Company must comply with the UK Bribery Act 2010, however where local legislation exists, for example in Germany, where Reconomy companies are bound by the rules within the German Law on Fighting Corruption 2015 and the German Criminal Code, § 299 (corruption and bribery in business transactions), and where requirements are higher than those within the UK Bribery Act 2010, local legislation shall prevail.

This Policy must be applied on a mandatory basis throughout the Company. No variations are permitted to take account of local practices or customs where this would lead to lower standards being applied.

2. What is Bribery & Corruption

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

Bribery is the offer, promise, giving, demanding or acceptance of anything of value to or from another person as an inducement or reward for an action which is illegal, dishonest, unethical or a breach of trust.

Corruption is the misuse of public or private office or power for personal gain.

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.

3. What is a Bribe

Bribes can take on many different shapes and forms for example cash, gift cards/vouchers, loans or credit, gifts, event tickets, the award of a contract, charitable contributions, employment or even a work experience placement.

Bribery can occur both actively and passively. 'Active bribery' is when a person may seek to corrupt another by giving or attempting to make a bribe. 'Passive bribery' is when a person may act in a corrupt manner by seeking, agreeing to accept, or by accepting a bribe. There will usually be a '*quid pro quo*' – both parties will benefit.

4. Who could engage in Bribery or Corruption

In the eyes of the law, bribery and corrupt behaviour could be committed by any one of a number of individuals. Some examples are:

- An employee (whether full-time or part-time), officer or director
- Any person acting for or on behalf of the Company (e.g., agent, business partner, consultant, subcontractor or supplier)
- Individuals and organisations where they authorise someone else to carry out these acts
- A public/government official
- A political candidate or party official
- A representative of a government-owned or government-controlled organisation

It should be noted that dealings with government officials can be particularly risky. In many countries, the laws relating to bribery of officials – even if unintentional – are particularly strict. An extremely cautious approach should therefore be taken wherever your dealings involve public officials or government representatives.

5. What does the Law say about Bribery & Corruption

Bribery is a criminal offence and penalties can be severe. As a UK-headquartered business, the Company is bound by the UK Bribery Act 2010, which is regarded as one of the most stringent anti-bribery laws in the world. It not only makes bribery and corruption illegal, but also holds UK companies liable for failing to implement adequate procedures to prevent such acts by those working for the company or on its behalf, no matter where in the world the act takes place.

In addition, the Foreign Corrupt Practices Act (FCPA) covers US companies and those doing business in the US. Its prohibitions and potential penalties are tough, and the law is enforced with vigour by the US authorities. Although the Company's headquarters are in the UK, we conduct business activity in international markets. Even when operating outside of the UK, it is important that everyone meets the standards set by UK legislation, and that we go further where local laws require. For further information on local regulations, you should contact your Compliance or Legal department.

Employees and officers of the Company must act with propriety at all times. Actual or suspected corrupt acts, including those committed by business partners working for us or on our behalf, could result in an investigation, which could lead to prosecution of individuals and the Company itself, as well as significant adverse publicity and reputational damage.

6. What steps can we take to prevent Bribery & Corruption

Everyone at the Company has a responsibility for preventing bribery and corruption. We can take the following steps to assist:

6.1 Risk Assessment

Effective risk assessment lies at the core 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. Group Legal & Compliance are responsible for coordinating and collating risk assessments. The Managing Director of each Reconomy company is responsible for ensuring a risk self-assessment is conducted at least annually.

6.2 Accurate Books and Record-Keeping

Many serious 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 the Company and all its business units, and for significant business partners 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 the Company.

6.3 Effective Monitoring and Internal Control

All Reconomy companies must maintain an effective system of internal control and monitoring of their transactions. Once bribery and corruption risks have been identified and highlighted via the risk assessment process, training and awareness can be provided and procedures developed within a comprehensive control and monitoring programme, in order to help mitigate these risks.

7. Where do Bribery & Corruption Risks typically arise

Bribery and corruption risks typically fall within the following categories:

7.1 Use of Business Partners

The definition of a business partner is broad, and could include, for example, a supplier, sub-contractor, consultant, agent, intermediary, distributor or installer in the Company's supply chain, who acts for, or on behalf of, the Company. Whilst the use of business partners can help us reach our goals, we need to be aware that these arrangements can potentially present the Company with significant risks.

Risk can be identified where a business partner conducts activities on the Company's behalf, so that the result of their actions can be seen as benefiting the Company.

Business partners or any other party who act on the Company's behalf must be advised of the existence of and agree to operate at all times in accordance with this Policy.

Local management is responsible for the evaluation of each relationship and determining whether or not it falls into this category.

Where risk regarding a business partner arrangement has been identified, management must take appropriate risk-based steps, including to:

- evaluate the background, experience, and reputation of the business partner
- understand the services to be provided, and methods of compensation and payment
- evaluate the business rationale for engaging the business partner
- take reasonable steps to monitor the transactions of business partners appropriately
- ensure there is a clear written agreement in place which acknowledges the business partner's understanding and compliance with this Policy (or a suitable equivalent) and includes appropriate anti-bribery and corruption provisions

The Company is ultimately responsible for ensuring that staff and business partners who act on our behalf are compliant with this Policy as well as operating in accordance with Law. Ignorance or "turning a blind eye" is not an excuse.

For the avoidance of doubt, if there are concerns that a business partner is not adhering to this Policy, we should not engage with them.

7.2 Gifts, Entertainment and Hospitality

The Company does not prohibit the giving or accepting of reasonable and appropriate gifts for legitimate purposes such as building relationships or marketing our products and services.

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 are acceptable provided they fall within reasonable and proportionate bounds of value and occurrence.

Remember that the offer or acceptance of any gift or hospitality requires careful judgement at all times. In order to evaluate what is 'acceptable', refer to the tests[1] in **Appendix 1** to decide if gifts, hospitality or expenses are appropriate.

If you find it difficult to fulfil one of these tests, there may be a risk involved, which could potentially damage the Company's reputation and business. In addition, the action could well be unlawful.

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

7.2.1 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 equivalents (e.g. gift cards or vouchers)
- Excessively lavish or frequent gifts, entertainment, or hospitality with little business content.
- Provision of gifts, entertainment, or hospitality to, or received from, government or public officials (or their close families and business associates) with the intent of influencing them or retaining or obtaining an advantage in the conduct of business.
- An employee or agent giving improper entertaining or gifts to prospective clients to build favour and to win contracts.
- Any form of gift or hospitality given, received, or offered not in line with the rules outlined in **Appendix 2.**
- Gifts or entertainment of any kind accepted from a bidder or potential bidder at the time of, or in connection with, any tender or other contract award.

The Company will not tolerate any situation where an employee has demanded a bribe from any client, supplier, government official or any other person or entity. Such behaviour will result in disciplinary action up to and including dismissal.

7.2.2 Usually acceptable

Circumstances that are usually acceptable (bearing in mind the financial thresholds in **Appendix 2**) include:

- Modest and occasional hospitality given or received to initiate, cement or develop relationships, including meals with those whom we do business, receptions, tickets to entertainment, social or ordinary sports events, i.e. where there is a direct link to working arrangements and a genuine business reason can be demonstrated.
- One-off gifts given for an appropriate reason and at an appropriate time of nominal value, such as pens, small branded or promotional items or flowers for a seriously ill or longstanding employee.
- Small discounts for clients' products.

[1] Guidance from Transparency International UK: 9. Gifts & Hospitality - Anti-Bribery Guidance.

If you feel uncertain at any time regarding acceptability of gifts, entertainment, or hospitality, or if an example does not fall under the above categories, please in the first instance seek guidance from your Legal & Compliance department. Generally, such examples would not be permissible without prior approval.

7.2.3 Transparency is key

Each entity within the Company is required to maintain and monitor a Gifts & Hospitality (G&H) register.

In line with the rules outlined in **Appendix 2**, gifts, entertainment or hospitality given, received, or offered (whether or not accepted) must be appropriately recorded in the Register. To make a record on the G&H register, or in the event that an impermissible form of gift, entertainment or hospitality has been accepted, contact your Legal & Compliance department.

It is recognised that some parts of the Company may have to comply with different local rules and legislation and may therefore have lower financial thresholds or other requirements. Such limits shall be set out by the management of the individual Reconomy company in separate documents held locally and registered with the Company. Contact your Legal & Compliance department for more information.

7.3 Charitable and Political Donations

The Company does not make political donations (which includes any contribution, made in cash or in kind, to support a political cause).

Personal political or charitable donations are permissible provided that the donation is not made for the personal, financial, or political benefit of any public/government official or any customer, supplier or third party (or their family members). Donations must not be made to improperly influence the recipient or in exchange for any business advantage.

All charitable donations on behalf of the Company must be approved in advance by divisional management and Group Marketing Director.

7.4 Facilitation Payments

A facilitation (or 'grease') payment is a payment or offering of any kind of value to a public official designed to secure or speed up a routine government action, for example obtaining an ordinary permit or port/customs clearance, processing government papers, or providing government services (and it does not matter whether the person receiving the bribe is being rewarded for doing their job).

Facilitation payments are common in some countries. However, such payments are a type of bribe and therefore prohibited under Company policy as well as being illegal under UK law, and in many other countries.

You must not give, promise or offer a facilitation payment to a public or government official in any country. If a facilitation payment is demanded, you should refuse and immediately contact the Legal & Compliance department for advice and assistance.

If you are unsure whether a payment is a facilitation payment, please contact the Legal & Compliance department for advice.

When demands for payment, gifts or hospitality are accompanied by actual or implied threats to personal safety, then safety is of course the first priority. In these exceptional emergencies, the payment should be made, and you should immediately contact your Legal & Compliance department for further advice. No disciplinary action will be taken against someone who has made a payment where their personal safety, or the safety of another, is at risk.

7.5 Financial Interest

Conflicts of interest should be avoided. Such conflicts include but are not limited to:

- Any ownership of a company by you or an immediate relative (that is, your spouse or close relative, member of your household and those with whom you have a close personal relationship) which is a vendor, supplier, competitor, or contractor of the Company must be disclosed to your manager and your HR department.
- Borrowing or being financially indebted to a competitor or supplier of goods and services to the Company, other than banks or other financial institutions for typical consumer debt generally available to the public. This relationship should also be disclosed.

8. How to raise a Concern

As individuals who work on behalf of the Company, 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. The Company 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 the Company, by any of our business partners or by any of our competitors, you must report the issue/concern to your manager. If for some reason it is not possible to speak to your manager, please then report it to your divisional managing director.

If you are not comfortable with speaking directly to a colleague or anyone mentioned above refer to the Company’s Whistleblowing Policy and email whistleblowing@reconomy.com. If you are unsure that a certain behaviour could be interpreted as bribery, you can also get help and advice by emailing the above address.

In the event that an incident of bribery, corruption, or wrongdoing is reported, we will act as soon as possible to evaluate the situation. The Company has clearly defined procedures for investigating fraud, misconduct and non-compliance issues and these will be followed-up in any investigation of this kind. If you have any questions about these procedures, please contact the Legal & Compliance department.

9. Conclusion & Acceptance

It is the responsibility of the Board routinely to refresh and reinforce this Policy and its underlying principles and guidelines. Reconomy management are responsible for the establishment and ongoing monitoring of compliance with this Policy.

All Company employees and relevant business partners must confirm their understanding and acceptance of this Policy as part of our annual compliance training and supply chain management procedures.

This Policy replaces all prior Anti-Bribery & Corruption policies that pre-date its existence and where there is any conflict in relation to a prior policy, the terms of this Policy shall prevail.

Signature:

Name: Guy Wakeley
Position: Chief Executive Officer
Date: 07 March 2025

Appendix 1

The offer or acceptance of any gift or hospitality requires careful judgement at all times. In order to evaluate what is 'acceptable', refer to the following tests[2] to decide if gifts, hospitality or expenses are appropriate:

Bona fide: Made for the right reason: if a gift or hospitality, it should be given clearly as an act of appreciation, if travel expenses then for a bona fide business purpose.

No obligation: The activity will not create any obligation or expectation on the recipient.

No undue influence: The expenditure will not be seen as intended for, or capable of, achieving undue influence in relation to a business transaction or public policy engagement.

Made openly: It will not be performed in secret and be undocumented – if it is, then the purpose becomes questionable.

Legality: It is compliant with relevant laws.

Accords with stakeholder perception: The activity would not be viewed unfavourably by stakeholders were it made known to them.

Proportionate: The value and nature of the expenditure is not disproportionate to the occasion.

Conforms to the recipient's rules: The gift, hospitality or reimbursement of expenses will meet the rules or code of conduct of the recipient's organisation.

Infrequent: The giving or receiving of gifts and hospitality is not overly frequent between the giver and the recipient.

Appendix 2

The table below sets out the rules in connection with gifts and hospitality we may receive and those we may offer to a third party. These are subject in all cases to checks being undertaken to confirm any proposed gift or hospitality is compliant with this Policy (Section 7.2) and is also acceptable under any other rules applicable to an intended recipient.

For employees involved in procurement, contract negotiation, tender/bid submission or those involved in the payment approval process, all gifts and hospitality (no matter how small) must be disclosed on the G&H register and are subject to the approvals noted below.

[2] Guidance from Transparency International UK: 9. Gifts & Hospitality - Anti-Bribery Guidance.

Value (inc. VAT)	Gift	Hospitality
Less than £50 in value	Items can be accepted and do not need to be recorded. However, if multiple items of less than £50 are offered to you in one year which exceed £200 from the same party, they must be recorded on the G&H register. Modest or token gifts can be offered provided these are acceptable under the recipient's rules. These do not need to be recorded on the G&H register.	A modest working meal, having a small intrinsic value, during or at the conclusion of a meeting may be accepted or offered and does not require recording on the G&H register. All other offers of hospitality should be recorded on the G&H register. In all cases, offers of hospitality must also be acceptable under the recipient's rules.
Between £50 and £100 in value	Gifts should either be returned, shared with staff, raffled or donated to charity. You must record all instances of gifts offered to you, (whether or not accepted) on the G&H register. Any offers of gifts or hospitality must be approved in advance by your line manager and recorded on the G&H register.	
More than £100 in value	Gifts or hospitality should be declined, or accepted only with prior approval of your line manager and Managing Director before recording on the G&H register. Any offers of gifts or hospitality must be authorised in advance by the Managing Director and recorded on the G&H register.	
More than £250 in value	Gifts or hospitality should be declined, or accepted only with prior approval of your Managing Director and Group Compliance before recording on the G&H register. Any offers of gifts or hospitality must be authorised in advance by Managing Director and Group Compliance and recorded on the G&H register.	

Notes:

(1) Value includes all associated costs for the gift or hospitality e.g. travel, accommodation etc. not just the ticket price. Overseas employees should use local currency equivalent.

Appendix 3

Gifts & Hospitality register template:

Name	Category	Description	Date Received/Offered	Host Organisation/Recipient	Approximate Value	Reasons for Accepting or Giving	Accepted Date	Approved by

Document Control

Document Title	Anti-bribery & Corruption Policy
Version Number	4.0
Date	03 March 2025
Document Author & Owner	Group Compliance
Document Exec Owner	Chief Information Officer
Confidentiality Level	Non-confidential
Distribution	All staff
Updates	3 appendices included to improve clarity of Policy.