



## MCBRIDE PLC

### BUSINESS ETHICS POLICY

As a leader in our field we have to set the highest standards for the quality of our products and service we provide, as well as the professional and ethical way we run our business. Our reputation and future success depends on it.

We have a strong code of ethics and expect all colleagues to act with honesty, discretion, integrity and respect for all stakeholders. We take all malpractice very seriously, whether it is carried out by a colleague, supplier, customer, competitor or contractor and we are committed to maintaining the highest standards of openness and accountability.

Our code of business ethics is fundamental to our ways of working and is underpinned by various corporate policies and procedures. We are committed to carrying out business fairly, honestly and openly and do not act in any way which might reflect adversely upon the integrity and goodwill of the McBride group. All employees should recognise that a breach of our corporate policies could be damaging to our business and reputation and that failure to comply with our policies may result in disciplinary action.

This policy is supported by a number of additional corporate policies providing details about our approach and internal controls across a number of different areas. Copies of specific policies can be made available upon request where appropriate.

#### COMMON ETHICAL STANDARDS

The following standards are common to all McBride business activities:

- **We respect customs and cultures** where we operate and will **comply with all relevant local regulation and legislation**. Where there is an apparent conflict between local custom and the principles of this policy, anyone acting on our behalf must be guided by this policy.
- We have a **zero tolerance** approach in relation to bribery and corruption, anti-competitive behaviour, insider dealing and breach of legislation.
- **We do not make political donations** although shareholder approval at each Annual General Meeting to cover certain types of donation or expenditure which might potentially be considered to fall within the broad definition of “political” under the Companies Act 2006 will continue to be sought.
- Products manufactured by McBride are **not tested on animals**, either by the company or on its behalf by third parties.
- We recognise that good business management is supported by the adoption of best practice **risk management**. We carry out regular reviews of the risks and uncertainties the Group may face and have in place a cross-functional Risk Council which seeks to develop “risk thinking” at a functional level across the business.
- We are committed to achieving long-term **sustainability**; managing and developing our operations and sale of products, without compromising the quality of life for future generations.
- We are committed to **reducing the impact of our operations on the environment** and to adapting our business to the consequences of climate change and depletion of natural resources by incorporating sustainability issues in our business plans and decisions.

#### CONFIDENTIALITY

Procedures are in place to prevent the unauthorised disclosure of confidential information about the Group and to prevent any attempts to improperly acquire trade secrets or any other confidential information. Confidentiality clauses are contained in both employment and service contracts for colleagues engaged by the business.

## **CONFLICTS OF INTEREST**

Procedures are in place to ensure that any personal interest which may prejudice, or might reasonably be deemed by others to prejudice, the impartiality of employees, is formally declared to a senior manager.

## **RELATIONS WITH OUR EMPLOYEES**

Our people are key to the success of our business and we seek to create a positive and open working environment wherever we operate.

- We are committed to basing relations with our employees on respect for the dignity of the individual and fair treatment for all.
- We recruit and promote employees on the basis of their suitability for the job, without discrimination.
- We aim to foster effective communication to enable all our employees to perform their work effectively. We encourage and help employees to develop relevant skills to progress their careers.
- We place the highest priority on the health and safety of our employees and the safety of the environment in which they work.
- We do not tolerate any form of discrimination or sexual, physical, mental or other harassment of any kind toward our employees, whether from our own staff or others.
- We operate fair and just remuneration policies
- We require any employee with a potential conflict of interest to disclose it to their line manager.
- We operate in an environment of trust and, as such, we do not tolerate any fraudulent or dishonest behaviour by our employees either with the Group or in dealing with other stakeholders.
- We report annually on our gender pay gap in the UK to meet our legal obligations.
- We provide employees with a clear whistleblowing policy.

## **WHISTLEBLOWING**

Our Whistleblowing Policy is intended to act as a deterrent to fraud or corruption or other serious malpractice; it is also intended to protect the Group's business and reputation.

We recognise that employees will usually be the first to know when someone inside or connected with an organisation is doing something illegal, dishonest or dangerous. We do not believe that it is in anyone's interests for employees with knowledge of wrongdoing to remain silent. We therefore actively promote openness within the business so that we are better able to deter wrong doing and identify potential problems at the earliest opportunity. Colleagues are encouraged to report genuine concerns about serious malpractice such as fraud, corruption, bribery and criminal activities to either their line manager or independently to the Company Secretary.

## **HUMAN RIGHTS**

We take the issue of human rights seriously and continue to strengthen our policies and management systems in this area.



- We are committed to ensuring there is transparency in our own business and to our approach to tackling modern slavery in our supply chain. We expect the same high standards from our suppliers.
- We prepare an Anti-Slavery and Human Trafficking Statement each year outlining the steps we are taking to continually monitor compliance in this area through due diligence checks, ethical audits, reporting and training, in accordance with our obligations under the Modern Slavery Act 2015. The Statement is approved by the Board annually and is published on our website.

## **CUSTOMER RELATIONSHIPS**

We are passionate about delivering superior quality service and choice to our customers; our reputation and the relationship with our customers depend upon it.

- Customer service is considered to be the primary operational goal across the Group.
- The quality and safety of our products is paramount.
- No employee may offer or receive, or influence others to offer or receive, any money, gift or hospitality that could be construed as a bribe.

## **SUPPLIER RELATIONSHIPS**

We seek to establish mutually beneficial relationships with all our suppliers and encourage them to match our high standards in respect of quality, product safety, working and trading practices, health and safety and environmental protection.

- Our policy is to seek to ensure that all contracts will be based on fairness and equality of treatment for potential suppliers.
- No employee may offer or receive, or influence others to offer or receive, any money, gift or hospitality that could be construed as a bribe. We employ purchasing procedures that, where possible, select suppliers on the basis of specification, quality, service and economic factors and favour those who operate in an ethical and socially responsible manner and who are committed to minimising the impact of their operations on the environment.
- We do not work with companies or individuals that infringe the law or endanger our reputation.

### **SUPPLIER CODE OF CONDUCT**

Our Supplier Code of Conduct sets out the standards of behaviour we expect from all of our suppliers. As a minimum standard, we adhere to the provisions of the Ethical Trading Initiative and require every supplier to ensure that our Codes of Conduct are complied with along with national and other applicable laws.

The Code of Conduct is circulated to all suppliers and published on our website. Any breach of the Code may result in the termination of a contract.

## **RELATIONS WITH COMPETITORS**

We believe anti-competitive behaviour is bad for customers, bad for our business and represents unacceptable business conduct.

- It is our policy to engage in fair competition and at all times treat competitors with respect.

- We have in place a detailed Competition Law Compliance Manual which is supported by guidelines setting out the behaviour expected of our employees to ensure they are not party to anti-competitive behaviour. Senior executives and Commercial and Purchasing colleagues are trained on a regular basis in the practices expected of them when conducting business.

### **ANTI-BRIBERY AND CORRUPTION**

We have in place an Anti-Bribery and Corruption Policy which applies to all the Group's business dealings and transactions in all countries in which it or its subsidiaries and associates operate.

We have adopted a zero tolerance policy to bribery and corruption. Facilitation payments are also prohibited. In the event that an employee finds themselves in threatening situations, clear guidelines are laid down and immediate reports must be submitted to one of the Group Anti-Corruption and Compliance Officers retrospectively for Executive Leadership Team level approval.

### **GIFTS AND HOSPITALITY**

We have a clear policy in place which sets out strict guidelines on offering and receiving of gifts and hospitality from the Group's customers, intermediaries, suppliers and other business contacts. The Group prohibits the giving or receiving of gifts, hospitality or other expenses that could influence or be perceived to be capable of influencing a contractual or material transaction. The Policy is not intended to restrict gifts and hospitality offered in the normal course of business, but requires employees to record the giving or receipt of gifts over defined cash limits and of hospitality outside the normal course of business and with values above certain prescribed limits. Quarterly reports on declarations made are submitted by senior level employees to the General Counsel & Company Secretary.

### **RELATIONS WITH OUR INVESTORS**

The Group's success in the marketplace is built upon the trust and confidence of those who invest in us and we are committed to protecting their long-term interests.

- We aim to generate an attractive rate of return on a long-term basis, through the responsible use of the assets entrusted to us.
- We are committed to a high standard of corporate governance and accountability.
- Our accounting statements will be fair, balanced and understandable.

### **INSIDER DEALING**

We encourage all colleagues to take a personal interest in the Company's progress. Acquiring shares represents a good way of doing so. Recognising the importance of complying with the Market Abuse Regulation, we have adopted a policy which seeks to ensure directors and employee insiders do not abuse, or do not place themselves in a position of abusing inside information. Clear guidelines for the need to seek authority before trading are therefore laid down and a copy of the policy and procedures is available to all employees.

### **RESPONSIBILITIES**

Version: October 2020

Owner: Legal & Company Secretarial



We recognise that, in order to be effective, commitment should be demonstrated from the top of the organisation. The Board has overall responsibility for ensuring this Policy complies with our legal and ethical obligations. The Chief Executive Officer and the Executive Leadership Team are responsible for ensuring that the Group operates in accordance with this policy. Responsibility is delegated to the relevant members of the executive team for implementing the principles. Measurement of progress is the responsibility of the Audit Committee.

## **COMPLIANCE**

It is the responsibility of all managers to ensure that McBride policies are properly communicated, understood and applied. Managers are also responsible for undertaking full investigations into suspected breaches of McBride policies, rules and guidelines. This may involve disciplinary action where necessary.

Employees are encouraged to advise their managers as soon as possible where they suspect there has been a breach of the Group's social & ethical standards. Any such communication will be handled confidentially and may be registered anonymously if the employee so desires.

This policy was reviewed and approved by the Board on 4<sup>th</sup> July 2019, updated on 19<sup>th</sup> October 2020 and is signed on their behalf by:

Chris Smith  
Chief Executive Officer

Glenda MacGeekie  
General Counsel & Company Secretary