



3.23 Ethics, conduct, anti-bribery & corruption

Policy

We need to maintain and continually build the effectiveness of Arena to ensure a safe, healthy and productive working environment for all. How we all conduct ourselves and our organisation's reputation is an integral part of our continuing success. Our aim is to not only ensure we operate in a legally compliant manner, but we provide an ethical and fair working environment throughout our organisation or us all. Our senior management are committed to applying the highest standards of ethical conduct and integrity throughout our organisation, but this can only be achieved if every employee and individual acting for or on our behalf of our business does the same. We consider bribery and corruption is detrimental to our business and that we all benefit from carrying out our business in a transparent and ethical way. Being open, honest, respectful and transparent is one of our key values in how we conduct business - building working relationships of trust. This does not, however, prevent hospitality for legitimate commercial purposes, which can be integral part of our working relationships. Therefore, our aim is to give clear guidance to the standards of behaviour we expect, what behaviour is acceptable and what behaviour is not. To also be clear on how we will uphold our principles and standards to prevent bribery or any other corrupt practices from occurring within our organisation, whilst protecting legitimate business transactions. This includes action we will take if there is an allegation made against any employee, worker or associate.

Procedure

This procedure does not form part of any Employees' Contract of Employment. It provides a framework for u to be able to deliver this policy and it may be amended without prior notice.

Scope: All employees at all levels, workers and those who work for and on behalf of or in association with our organisation.

1. The Governing law

The Bribery Act 2010 contains four possible offences:

- * Inducing someone to do something improperly by giving, offering or promising a reward;
- * Being bribed by doing something improperly in return for a reward;
- * Bribing a public official to do or not to do something in return for a reward;
- * The corporate offense when an organisation does not stop or prevent people operating in their name being or offering bribes.

Bribes are not just cash payments and the Act extends to gifts, hospitality and entertainment payments given by an organisation or received by an organisation in certain circumstances.

Bribes do not need to be received for an offence to have taken place.



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2. So, what is considered as bribery?

We consider a bribe is an inducement or reward offered, promised or provided to gain a commercial, contractual, regulatory or personal advantage. Both giving and receiving a bribe is unlawful. Examples (not an exhaustible list) of what we consider is a bribe:

Offering a bribe. A potential supplier is offered tickets to a major event on the understanding and condition that they agree to provide certain services or agree to a special deal. This would be an offence as you are making the offer on the condition of gaining a commercial and contractual advantage. Not only will our organisation risk be committing an offence, so will you and the supplier for accepting it.

Receiving a bribe A supplier offers you tickets to a major event, but it is conditional on you using your influence to ensure we do, or continue to do business with them, or secure a special 'deal'. It is an offence for the supplier to make such an offer, a personal offence for you to accept the offer (as you would be doing so to gain a personal advantage) and our organisation as the offer was made to obtain business from our organisation.

Bribing an official Arranging for our business to pay an additional payment to a foreign or other official to speed up/ or delay an administrative process or inducing an official to make an improper decision. An offence has been committed as soon as the offer has been made. This would be considered a personal and an Organisational offence.

But if you are in any doubt always seek the advice of your manager prior to taking any action.

3. Facilitation payments – kickbacks

Simply, as an organisation, we do not make, and will not accept, facilitation payments (sometimes referred to as "kickbacks") of any kind. Facilitation payments are typically small, unofficial payments made to secure, or expedite or prevent a routine government action by a government official. Whilst these are not commonly paid in the UK, they are common in some other jurisdictions. If you are asked to make any payments for and on behalf of our organisation, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services being provided. You must always ask for a receipt for which fully details the reason the payment is required. If you are unsure, or if you have any suspicions, concerns or queries regarding any payment you are requested to make you must raise this with your manager. If not appropriate you should raise your concerns with the Finance Director. Our Finance department will actively monitor all invoices for 'red flags' and report any concerns to the Finance Director immediately. Examples of 'red flags' are: poor descriptions of



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services such as 'special handling fee' or 'miscellaneous items' on invoices. Any payment request to a third party, shell company, numbered bank accounts, or abnormally excessive commission payments. A request to pay for items prior to services/goods being provided and any receipts, invoices and forms that have been tampered with.

4. Corruption

To be clear we consider corruption as any act to cover the misuse of an individual's power, authority or position within our organisation for unlawful, dishonest, unethical or immoral purposes to gain an unlawful financial or other advantage. This is not tolerated in our business.

5. So, what can be considered as acceptable gifts and hospitality?

The law and this procedure do not prohibit normal and appropriate corporate hospitality or the giving or receiving small proportionate and appropriate gifts. However, you do need to follow the procedure below for this to be so. It cannot be made with the intention or condition of influencing another party to obtain or retain business, or a business advantage. It must comply with local law and be given in our name and not in your name. It cannot include cash or cash equivalent items and must be appropriate and proportionate in the circumstances. The reason for the gift, its appropriateness and value and timing will be considered and whether it was given openly and not secretly. Finally, whether one party was a Government official. For this reason, no person within our organisation may give or receive any gift unless the appropriate procedure and form (see below) has been completed and authorised. We recognise that small holiday gifts (e.g. Christmas) may be given across our organisation by various individuals and organisations. To avoid doubt, all gifts must be logged as per company procedure.

6. Prevention

Identifying potential areas of risk We will ensure areas where we may be exposed to bribery are identified and then ensure proportionate procedures are put in place to control these risks. We will undertake an additional risk assessment if we start doing new business in another country sector or; need to obtain new licences, permits, accreditations; or acquire or merge with another business or; engage new contractors or suppliers; or as part of our due diligence when bidding for a new contract, tender or; recruit a senior member of staff, or those who are at more risk of potentially breaching this procedure.

7. Communication

We will issue this policy and procedure on employment/hire of new persons as part of our Induction process. We will also issue this procedure when doing business with a new



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person/organisation, or when entering a legally binding agreement. We may as a pre-qualification to doing business require an organisation to provide evidence of how they prevent bribery and corruption within their business. If appropriate this may extend to an agreement for us to undertake an inspection on their premises of financial records associated with their business with our organisation. We will also include the need for specific training for identified key positions and include this within Individual Learning Plans. These will generally be for positions that are likely to give or receive gifts or hospitality as part of their work, or their direct reports work, or those who monitor the actions of others or authorise our procedural forms. This will be upon recruitment or change of position.

8. Procedure to follow

Receiving a gift or hospitality

Without exception all items offered or received must be reported to and authorised by your Line Manager. These reports need to be passed onto the Finance Department for monitoring. If you are offered a bribe you must refuse it and report the incidence to your Line Manager immediately, or the Finance Director if more appropriate. Small items received at Christmas, for instance just need to be logged as per this procedure.

Request to give a gift or hospitality

Without exception all must be recorded through Arena's purchase ordering system and authorised by your Line Manager. These purchase orders will be monitored by the Finance Department. Depending on the position certain positions will be given a level of authorisation. You will still need to follow the process and record using the purchase ordering system. These will however be monitored by the Finance Director as part of our due diligence.

Political and charitable donations

For the avoidance of doubt, we do not make contributions to candidates seeking to become public officials, political parties or other political organisations, whether based in the UK or abroad. We will make donations to genuine charities or local community projects (in the UK or abroad) so long as they are legal, ethical and are unlikely to be inferred as a bribe. Any request for a donation must be forwarded to the Director of Operations and authorised. Ultimately, the final decision on whether a donation should be made, and the amount will be authorised by the Group Managing Director.

9. The conduct of our organisation

It is essential we deliver critical business objectives in an honest, ethical and legally compliant



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manner. We take a zero-tolerance approach to all forms of bribery and corruption in all areas of our business as we do to any person instructing, threatening or intimidating another to commit an act of bribery or corruption. Senior management are very clear that any act of bribery or corruption, whatever the individual aim may be, is never acceptable. We are committed as an organisation to act in a professional, fair and legally compliant manner with integrity in all our business dealings and relationships. We take the view that any act of bribery or corruption will cause severe, if not irreversible, damage to our integrity & reputation. This will place our organisation at serious risk of losing clients, suppliers or associates needed for our business to survive and thrive as well as significant legal penalties. This could ultimately result in serious financial loss or possible closure and the loss of all our livelihoods. It also exposes our organisation and individuals to the risk of prosecution resulting in heavy penalties and/or up to 10 years' imprisonment.

10. Our expectations of you

Overall, we ask that you adhere to the requirements of this policy and procedure. That you do not obtain or attempt to obtain an unfair advantage for us or for yourself through dishonest, improper, and unethical or illegal practices. If you are in a position of influence, or authority, that you do not use this for your personal gain or to influence another to behave improperly. Finally, that you do not knowingly make a false or misleading statement or cover up for another. This can include (not an exhaustive list) an attempt to hide, fail to disclose or misrepresent a financial transaction; establish secret accounting system; create false, inaccurate or misleading documents or destroy or alter documents; use funds or resources in the act of bribery or corruption. And do not authorise or instruct any payment that is not transparently recorded as per this procedure. We also remind you of your personal and legal duty to report any concerns that any person or organisation may be in breach of our procedure. You should address your concerns to the Operations Manager.

11. Conflicts of interest

We require all employees, workers and those associated with our organisation to advise us of any direct or indirect conflicts of interest whether economic, personal, family or other relationship. Should this occur later in our working relationship then you are required to advise your manager immediately. We reserve the right to request this information at any point in our working relationship. If you are in any doubt whether to declare a conflict of interest always speak to your Line manager for guidance.



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12. How to raise a concern

We have an 'open door policy' and you are required to raise concerns about any issue or suspicion of malpractice at the earliest possible stage using one of the procedures within this handbook. If you are unsure of whether an act constitutes bribery or corruption, speak to your manager, or if not appropriate the Operations Manager as soon as you can. We will ensure that you do not suffer any detriment if you have refused to take part in any act of bribery or corruption. Or because of reporting in good faith a reasonable suspicion that an actual act or potential bribery or corruption offence has, or may take place, in the future (whatever the outcome). If in doubt tell us.

13. How we will deal with allegations

All allegations will be taken very seriously and should be made to your Line Manager or if not the Finance Director. All allegations will be investigated, for employees within our disciplinary process as a potential Gross Misconduct issue. For the avoidance of doubt if found guilty then one of the options we may implement is to summary dismiss any employee who has breached this procedure. All allegations will be investigated for none employees as a potential fundamental breach of our terms and conditions with them. During our investigations, we do reserve the right to suspend any party if is proportionate to conclude our investigations. We will also report any illegal practices to the relevant authorities where we feel there is reasonable foundation to support this.

14. Record keeping

You must follow this procedure and complete the required forms (above). This will be subject to managerial review and will form part of our overall audit as part of our due diligence. All accounts invoices emails memos and other documents and records relating to dealing with third parties such as clients, suppliers and business contacts should be prepared and maintained with strict accuracy. No account must ever be kept 'off book', whether, to facilitate or conceal improper payments. Our Accounts will be operated to conform with these and our other legal obligations, tax laws within the established Accounting Principles and existing internal and external control systems.

15. Responsibilities and compliance

Our Management team are responsible for ensuring this procedure is followed. Directors to support the management team as required. We ask that our employees fully engage with this process as required. Ultimately the Management team are responsible for ensuring this policy



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and procedure is implemented and to give feedback to the Company Group MD who will evaluate its effectiveness and ensure our compliance and continuous improvement.

16. Enabling documents

Description of Document	Ref	Description of document	Ref