

EMPLOYMENT POLICY

Anti-Corruption and Bribery

CONTENTS

1. Scope & Purpose
2. Key Definitions and Abbreviations
3. Procedure
4. Expenses and Record Keeping
5. Breaches of this Policy
6. Political Donations
7. Assurance
8. Minimising the Risk
9. Gifts and Hospitality Declaration
10. Version Control

1. Scope & Purpose

- 1.1. The aim of this policy is to make it clear that we do not tolerate any form of bribery or corruption. We aim to conduct all of our business in an honest and ethical manner. The policy also sets out a mechanism for raising any concerns you may have about bribery and corruption.
- 1.2. This policy applies to all colleagues working for us and any other person associated with or providing services to us or any of our subsidiaries or their employees, wherever located. This includes all colleagues, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners.
- 1.3. This policy does not form part of your contract of employment except to the extent that it imposes obligations on you. We may amend this policy at any time and may vary it as appropriate to a particular case.

2. Key Definitions and Abbreviations

2.1. What is bribery?

A bribe is:

- the act of offering, promising or giving a financial or other advantage to another person;
- with the intention of inducing conduct that amounts to a breach of an expectation that the person will act in good faith, impartially, or in accordance with a position of trust.

Bribes can take the form of money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or any other advantage or benefit.

All forms of bribery are strictly prohibited. If you are unsure about whether a particular act constitutes bribery, raise it with our Bribery Compliance Officer (see section 3). While guidance can be given, it would ultimately be decided by a court whether any action constituted a bribe.

In particular you must not:

- Give or offer any payment, gift, hospitality or other benefit in the expectation that a business advantage will

be received in return, or to reward any business received (e.g. offering a potential client tickets to a major sporting event but only if they agree to do business with us);

- Accept any offer from a third party that you know or suspect is made with the expectation that we will provide a business advantage for them or anyone else (e.g. a supplier offers your nephew a job but makes it clear that in return they expect you to use your influence to ensure we continue to do business with them);
- Give or offer any payment to a government official in any country to facilitate or speed up a routine or necessary procedure (e.g. making a payment to clear goods through customs).

2.2. Gifts and Hospitality

This policy does not prohibit giving or accepting reasonable and appropriate hospitality to or from third parties.

- It might be appropriate to give or receive a gift or hospitality where it is for the purpose of building relationships, maintaining our image or reputation, or marketing our products and services.

- A gift or hospitality will not be appropriate if it is unduly lavish or extravagant, or could be seen as an inducement or reward for any preferential treatment (e.g. during contractual negotiations or a tender process).
- Gifts must be of an appropriate type and value depending on the circumstances and taking account of the reason for the gift.
- Gifts must not include cash or cash equivalent (such as vouchers), or be given in secret.
- Gifts must be given in our name, not your name.

If you are in any doubt as to what constitutes reasonable and appropriate hospitality, you should discuss this with the Bribery Compliance Officer.

3. Procedure

3.1. How can I raise a concern about bribery?

The Finance Director is Lothians' Bribery Compliance Officer. This policy identifies circumstances when you should contact him/her. The Bribery Compliance Officer can be contacted confidentially at: BCO@lothianbuses.co.uk

In their absence you can contact the companies Head of People. If you believe or suspect that a breach of this policy has occurred, or may occur in the future, you should contact the Bribery Compliance Officer or follow the procedure set out in our Whistleblowing Policy as soon as possible.

3.2. Examples

Circumstances where you should make contact with the Bribery Compliance Officer include where:

- a third party requests an unexpected additional fee or commission;
- a third party refuses to put agreed terms in writing;
- you learn that a third party has a reputation for paying bribes;
- you are offered an unusually generous gift or hospitality by a third party;
- you believe another person has been involved in either receiving or making a bribe.

If you are unsure whether a particular act constitutes bribery, or if you have any other queries, these should be raised with the Bribery Compliance Officer.

We will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

4. Expenses and Record Keeping

- 4.1. You must declare and keep a written record of all hospitality or gifts accepted or offered where the value of that hospitality or gift is in excess of £100 using the form attached at Appendix 1.
- 4.2. You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our policy on expenses. You must record the specific reason for the expenditure.
- 4.3. All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts must be completed timeously and accurately.

5. Breaches of the Policy

- 5.1. Any employee who breaches this policy will be disciplined in terms of our Disciplinary Policy and, in serious cases, may be summarily dismissed for gross misconduct.

- 5.2. Any non-employee who breaches this policy may have their contract terminated with immediate effect.
- 5.3. Bribery is a serious criminal offence. A breach of bribery laws can result in:
 - Up to 10 years in prison; and
 - An unlimited fine.

6. Political Donations

- 6.1. Contributions to political parties or other political donations should not be made.

7. Assurance

- 7.1. Lothian will take a risk-based approach to the oversight of this policy. The Companies Head of Operational Risk will work with the Procurement and Finance teams to undertake a proportionate audit of our suppliers.

8. Minimising the Risk

The following steps can help protect both yourself and Lothian from the risk of breaching, or being perceived to have breached any bribery or corruption legislation:

8.1. DO

- Complete properly your expenses claim forms for all gifts, hospitality and promotional expenditure in accordance with the Lothian Expenses' policy.
- Report any offer of a bribe or request for a bribe to the Bribery Compliance Officer.
- Report any request for an unexpected additional charge or commission to the Bribery Compliance Officer.
- Request sight of any suppliers' bribery policies/ procedures.

8.2. DON'T

- Accept any unusually generous gift or lavish hospitality.
- Accept any money as a gift or thank you.
- Make any unusually generous gift or lavish hospitality.
- Make payments to suppliers in cash in circumstances where the supplier refuses to provide an invoice/receipt.
- Send money or transfer funds to a location or address that is not usually associated with a supplier.

9. Gifts and Hospitality Declaration

9.1. This declaration is to be used when a gift or hospitality is granted or received in excess of £100.

All Directors and Senior Managers should alternatively complete a 'NIL' return on a period basis.

Non-Executive Directors should comply with and submit declarations for any hospitality/gift received on an Annual Return.

9.2. The details should be completed as fully as possible and returned to the PA to the Finance Director, Ashlea Meikle c/o Head Office for recording in the company Gifts and Hospitality Register, within a maximum of 30 days after each period end.

10. Version Control

Version No.	Date of Change	Change made by:	Key Amendments
V1.0	04/09/2018	Audit & Risk Committee	Published
V2.0	Reviewed June 2023	Audit & Risk Committee	No changes
V3.0	Reviewed June 2024	Audit & Risk Committee	Minor text changes
V3.0	Reviewed June 2025	Audit & Risk Committee	No changes

Approved by: Audit & Risk Committee - Next Review date: June 2026

GIFTS AND HOSPITALITY DECLARATION

Appendix 1

DECLARATION OF GIFTS OR HOSPITALITY OFFERED AND/OR RECEIVED

Name:			
Position:			
Period covered by return:			
A. Nil Return I declare that for the above period I have not received nor been offered any gifts, hospitality or inducements with a value above £100.00 per item.		Signature: Date:	
B. For the above period I wish to declare the following gifts, hospitality or inducements offered:			
Date of Offer	Name, address and business source/ provider of gift, hospitality or inducement	Nature and value of gift, hospitality or inducement	Remarks (to be used for any notes of clarification and to note where gift etc. offered but declined)
I confirm that I have complied with the Lothian Gifts, Hospitality and Inducement Policy.			
Signature:		Date:	