

Company Procedure CP034

Anti-Bribery and Corruption Policy

General

Business of all sizes which operate in the UK should be aware that the Bribery Act 2010 will come into force on the 1st July 2011.

The new measures may put us at an unfair disadvantage when competing for overseas work against non-UK companies

A short guide has been published by Grlings Solicitors entitled 'The Bribery Act 2010'. This Company Procedure must be read in conjunction with this Grlings short guide.

In addition NIC Instruments during 2020 has undergone due diligence verification with TRACE and have opted to adopt TRACE's Code of Conduct

New Offences

The Act creates several new criminal offences, which include:-

- Bribing another person (section 1)
- Requesting, receiving or agreeing to receive a bribe (section 2)
- Bribing a foreign public official (section 6)
- The failure of a commercial organisation to prevent bribery (section 7)

Guidance

To minimise the risk of prosecution for any of the bribery offences, the key themes are set out below,

- Jurisdiction
- Associated Persons
- Six Principles

06/07/2012

The Bribery Act 2010 CP034

Issue 2 (PCN 13854)

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1. Proportionate procedures
 2. Top-level commitment
 3. Risk assessment
 4. Due diligence
 5. Communication (including training)
 6. Monitoring and review
- Corporate hospitality and promotional expenditure
 - NIC has adopted the TRACE certification process

NIC Instruments' Commitment

Employees Name	Position Held	Last Trained
Steve Wisbey	Managing Director	2020
Martin Wisbey	Company Secretary	2020
James Middleton	Sales Manger	2020
Joe Yule	Head of R&D	

The employees recorded in the table above will have to be retrained every time this procedure / policy is audited or/& reviewed to ensure compliance and its effectiveness.

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The Bribery Act Questions

All questions in section 1 must be answered plus three questions from section two.

Section 1

1. When did the Bribery Act 2010 come into force?
2. What are the four offences and sections?
3. The sections 1, 2 and 6 offences can be committed by whom?
4. Section 7, how can a business demonstrate a defence?
5. What are the key themes within the Governments guidance to minimise the risk of prosecution for any of the bribery offences?
6. What are the six principles? Name and describe two.
7. What is a major and legitimate area of concern?

Section 2

1. If an individual is found guilty of a bribery offence, what can happen?
2. If a company is found guilty what might happen?
3. Describe what is meant by *Jurisdiction* in terms with the guide and what section offences can be committed?
4. Describe what is meant by *Associated Persons* in terms with the guide and what section offences can be committed?
5. What are the dangers and risks of *corporate hospitality and promotional expenditure*?
6. What can happen when a business takes a supplier to a dinner or sporting event?
7. What is the main factor which may push hospitality over the edge into bribery?
8. To protect them what should businesses consider?
9. Any expenditure, given or received, should be what?
10. How should this guidance be communicated?
11. Amending contracts, why would a business take such steps?

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Task 1

A one to one chat with the MD and the acknowledgement that the employee understands The Bribery Act and the risk to the business and themselves.

The Bribery Act Duties

NIC Instruments Will:

1. Give full commitment to prevent bribery and all the risks
2. Carry out regular documented risk assessments of the bribery risks they face
3. Training and communication on the risks of bribery and The Bribery Act 2010
4. Monitor and review their anti bribery procedures, assessments and improve them as necessary

The Employee Will:

1. Follow appropriate systems, processes and procedures laid down for their own safety
2. Co-operate with NIC Instruments Ltd on The Bribery Act
3. Inform the MD if they identify any suspicions or acts of bribery
4. Take care to ensure that their activities do not put others at risk
5. Make themselves aware of the dangers and risks of bribery and what can arise if found guilty.

Signed.....

Name.....

Position.....

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Date.....

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Appendix A TRACE Code of Conduct

NIC Instruments Ltd hereby adopts the following Code of Conduct with respect to all commercial transactions, whether local or international:

LOCAL AND FOREIGN LAWS: Neither NIC Instruments Ltd, nor anyone acting on behalf of NIC Instruments Ltd, may, directly or indirectly, break or seek to evade the laws or regulations of any country in, through, or with which NIC Instruments Ltd seeks to do business. That an illegal act is a “customary business practice” in any country is not sufficient justification for violation of this provision.

BRIBERY AND FACILITATING PAYMENTS: Neither NIC Instruments Ltd, nor anyone acting on behalf of NIC Instruments Ltd, may, directly or indirectly, offer or provide a bribe, and all demands for bribes must be expressly rejected.

Bribery includes any offer, promise, or gift of any pecuniary or other advantage, whether directly or through intermediaries, to a public official, political party, political candidate or party official or any private sector employee, in order that the official or employee act or refrain from acting in relation to the performance of their duties, in order to obtain or retain business or other business advantage.

Neither NIC Instruments Ltd, nor anyone acting on behalf of NIC Instruments Ltd, shall offer or make facilitating payments to government officials in order to encourage them to expedite a routine governmental task that they are otherwise required to undertake. NIC Instruments Ltd, or anyone acting on behalf of NIC Instruments Ltd, shall have discretion to deviate from this prohibition if he/she believes that there is an immediate threat to his/her or another’s health or safety. The circumstances of such payment must be reported as soon as possible after the event and the payment properly recorded. NIC Instruments Ltd recognizes that extortion is widespread and that participation by the business community increases demand for facilitating payments.

KICK-BACKS: Neither NIC Instruments Ltd, nor anyone acting on behalf of NIC Instruments Ltd, may offer or accept a “kick-back” of any portion of a contract payment to employees of other parties to a contract or use other vehicles such as subcontracts, purchase orders or consulting agreements to channel payments to government officials, political candidates, employees of other parties to a contract, their relatives or business associates.

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A “kickback” is a particular form of bribe which takes place when a person entrusted by an employer or public function has some responsibility for the granting of a benefit and does so in a way that secures a return (kickback) of some of the value of that transaction or benefit for that person without the knowledge or authorization of the employer or public body to which the person is accountable.

CONFLICTS OF INTEREST: NIC Instruments Ltd, and anyone acting on behalf of NIC Instruments Ltd, shall avoid any relationship or activity that might impair, or appear to impair, the ability to render objective and appropriate business decisions in the performance of our jobs.

POLITICAL CONTRIBUTIONS: Neither NIC Instruments Ltd, nor anyone acting on behalf of NIC Instruments Ltd, may make a political contribution in order to obtain an unlawful business advantage. NIC Instruments Ltd shall comply with all public disclosure requirements.

PHILANTHROPIC CONTRIBUTIONS: NIC Instruments Ltd, and anyone acting on behalf of NIC Instruments Ltd, may make contributions only for bona fide charitable purposes and only where permitted by the laws of the country in which the contribution is made. Contributions made in order to obtain an unlawful business advantage are prohibited.

EXTORTION: NIC Instruments Ltd, and anyone acting on behalf of NIC Instruments Ltd, shall reject any direct or indirect request by a public official, political party, party official, or private sector employee for undue pecuniary or other advantage, to act or refrain from acting in relation to his or her duties.

GIFTS, HOSPITALITY AND ENTERTAINMENT: NIC Instruments Ltd, and anyone acting on behalf of NIC Instruments Ltd, shall avoid the offer or receipt of gifts, meals, entertainment, hospitality or payment of expenses whenever these could materially affect the outcome of business transactions, are not reasonable and bona fide expenditures, or are in violation of the laws of the country of the recipient.

REPORTING REQUIREMENT: All officers and employees of NIC Instruments Ltd and anyone acting on behalf of NIC Instruments Ltd shall promptly report any actual or potential violation of this Code of Conduct, including any instance in which he/she is subjected to any form of extortion or is asked to participate in any way in a bribery scheme, to NIC Instruments Ltd senior corporate management, without fear that his/her business relationship or employment will be adversely affected. Reports shall be treated

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confidentially to the extent possible, consistent with the need to conduct a thorough investigation.

COMPANY RESPONSE: No employee will suffer demotion, penalty or other adverse consequences for not paying bribes even when NIC Instruments Ltd may lose business as a result of the employee's refusal to do so. Employees are required to report alleged violations of this Code of Conduct to senior management and no employee will suffer demotion, penalty or adverse consequences for reporting.

NIC Instruments Ltd shall, where appropriate, sanction employees, suppliers or other business partners for violations of this Code of Conduct.

ACCOUNTS: NIC Instruments Ltd shall maintain complete and accurate financial records, ensuring that all transactions are properly, accurately and fairly recorded in a single set of books.

COMMUNICATIONS AND TRAINING: NIC Instruments Ltd agrees to participate in anti-corruption training provided by TRACE, or by a comparable organization, and to make annual training available for all principals and for all key employees involved in sales, marketing, and procurement.

The person whose signature appears below is duly authorized to adopt this Code of Conduct on behalf of NIC Instruments Ltd and, if signing on behalf of a company, agrees that this Code shall apply to all officers, employees and representatives of NIC Instruments Ltd.

I hereby adopt and agree to comply with the TRACE Code of Conduct as outlined above.

I understand that violation of the Code of Conduct will be grounds for immediate revocation of TRACE Certification, if applicable.



Steve Wisbey

Managing Director

NIC Instruments Ltd

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Appendix B

Standard Due Diligence questionnaire to be completed by new prospects

Thank you for your email enquiring about our products.

Before we submit our information, could I trouble you for a little more information about your company?

We work in a sensitive field, and I am sure you appreciate how important this information is.

1. Which regions and markets in do you operate in?
2. Are you currently working in the EOD/Search Field?
3. Please can you confirm that there is no government ownership, funding, or a board of directors that depends on government approval or appointment for your organisation.
4. Please can you confirm if anyone within your organisation holds a government, military or political position.
5. We may ask you to undertake TRACE's due diligence procedure. Can you confirm that you will comply with this request should we request it.
6. Who are your main customers, including military and state-owned enterprises?
7. What other British companies do you currently work with, that we can approach for a reference?
8. Could you clarify your web site address?
9. Please can you send us PDF copies of your literature for the products you currently represent, especially that which is related to EOD, Search & CBRNe.
10. Could you give me some examples of contracts won in the last 12 months in the EOD/Search Market?
11. How did you find us (delete as appropriate):
 - a. Search Engine, Google, Bing, Yahoo, Other (please state)
 - b. Word of Mouth (if possible, please give details)
 - c. Exhibition (please give details)
 - d. Link from external website (please give details)
 - e. Other (please give details)
12. Do you have any due diligence approvals in place?
13. Due to new legislation, please can you confirm if you wish to opt in to future communications from NIC Instruments LTD

I thank you in advance and look forward to working with you in the future.

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Appendix C

Standard Due Diligence questionnaire to be complete by prospects converting to customers with a first order less than £100,000.00

Thank you placing your first order with us, we look forward to working with you.

Before we proceed, may I ask you some due diligence questions. We work in a sensitive field, and I am sure you appreciate how important this information is.

1. Please send us a copy of your corporate registration.
2. Do any owners, or their family, have political or governmental associations or positions?
3. Have you, or any officers of your organisation ever had a prior bribery issue or corruption issue or other fraud/financial matters of interest against you?
4. Is any part of your organisation government owned or funded, or has a board of directors that depends on government approval or appointment?
5. Does your organisation have any individuals who have recently retired from public service and still have government connections or influence, particularly if they will be interacting with the agency that employed them?
6. Does your organisation have any individuals in a sales role that separately advises potential government customers on tender specifications?
7. Does your organisation have a written anti-bribery policy, code of conduct, or an otherwise demonstrated commitment to legal compliance and ethical norms, and does it periodically assess its own bribery risk?
8. Can you confirm that should we pay any commissions or awards for winning contracts that payment will be in the country which your office is registered.

I thank you in advance and look forward to working with you.

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Appendix D

Standard Due Diligence questionnaire to be complete by prospects converting to customers with a first order in excess of £100,000.00

Thank you placing your first order with us, we look forward to working with you.

Before we proceed, may I ask you some due diligence questions. We work in a sensitive field, and I am sure you appreciate how important this information is.

1. Please send us a copy of your corporate registration.
2. Please identify who owns and controls your company, the % ownership for each person and any non share holding directors.
3. If any owners are themselves corporate entities, please indicate their ownership all the way back to individual beneficial ownership.
4. For publicly traded companies, individuals or entities that own 5% or more should be identified, along with their individual owners.
5. Do any owners, or their family, have political or governmental associations or positions?
6. Have you, or any officers of your organisation ever been declared bankrupt?
7. Have you, or any officers of your organisation ever had a prior bribery issue or corruption issue or other fraud/financial matters of interest against you?
8. Is any part of your organisation government owned or funded, or has a board of directors that depends on government approval or appointment?
9. Does your organisation have any individuals who have recently retired from public service and still have government connections or influence, particularly if they will be interacting with the agency that employed them?
10. Does your organisation have any individuals in a sales role that separately advises potential government customers on tender specifications?
11. Does your organisation have a written anti-bribery policy, code of conduct, or an otherwise demonstrated commitment to legal compliance and ethical norms, and does it periodically assess its own bribery risk?
12. Does your organisation require its subsidiaries, affiliates, joint venture partners, suppliers and subcontractors to adhere to its ethics and compliance policies?
13. Can you confirm that should we pay any commissions or awards for winning contracts that payment will be in the country which your office is registered.
14. Please would you submit an audited financial statement or independent financial reference from your last accounting period.

I thank you in advance and look forward to working with you.