

PORTMEIRION GROUP

ANTI-BRIBERY & CORRUPTION
POLICY

GIFTS & HOSPITALITY POLICY

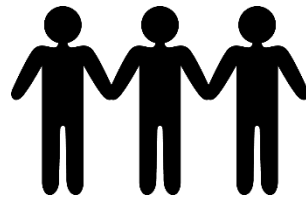


PORTMEIRION GROUP

Anti-Bribery and Corruption Policy

and

Gifts and Hospitality Policy



*Updated and approved by the Directors of Portmeirion Group PLC
on 31 July 2018*

Anti-Bribery and Corruption Policy

Introduction

This policy applies to Portmeirion Group PLC and its subsidiaries, (*including Wax Lyrical Limited*) ("Portmeirion Group") and its officers, employees, agents, intermediaries, consultants, distributors, suppliers and associated companies working on Portmeirion Group's behalf anywhere in the world ("Officers, Employees and Business Partners"). All Officers, Employees and Business Partners are required to comply with this policy and its principles and obligations to ensure that Portmeirion Group remains untainted by bribery or corruption.

It is Portmeirion Group's policy to conduct all of our business in an honest and ethical manner. Portmeirion Group will not tolerate any acts or attempted acts of bribery and corruption and is committed to acting professionally and ethically in all our business dealings and relationships, wherever we operate, and we are committed to implementing and enforcing effective systems to counter bribery and corruption.

The purpose of this policy is to set out Portmeirion Group's responsibilities and the responsibilities of those working for us, in observing and upholding our position on bribery and corruption. This policy provides information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.

In this policy, any references to "third party", means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

Who is responsible for this policy?

The Group Company Secretary (Portmeirion) and Managing Director (Wax Lyrical) have overall responsibility for this policy and is responsible for ensuring that it is adhered to. However, everyone who works for and with Portmeirion Group must also take responsibility to prevent bribery or corruption.

What is bribery and corruption?

Corruption is the misuse of office or power for private gain. Bribery is a form of corruption. It means giving or receiving money, gifts, hospitality or anything else of value as an inducement to a person to do something which may be dishonest or illegal in the course of doing business. In other words, bribery is designed to make a person act wrongly to secure some form of advantage for themselves or the Company.

Who can be involved in bribery and in what circumstances?

Bribery and corruption may be committed by Portmeirion Group's:

- employees, officers or directors and anyone they authorise to do things on its behalf;
- representatives and other third parties who act on its behalf;
- suppliers; and
- customers (e.g. they might try to induce an Officer or Employee to give them more favourable terms).

Bribery can occur in both the public and private sectors. The person receiving the bribe is usually in a position to influence the award or the progress of business and may include government or other public officials.

The legal position

The Bribery Act 2010 contains two general offences covering the offering, promising or giving of a bribe ("active" bribery) and the requesting, agreeing to receive or accepting of a bribe ("passive" bribery). The Act also introduced a new form of corporate liability for failing to prevent bribery on behalf of a commercial organisation.

An individual who is found to have committed an offence of bribery can be imprisoned for a term of up to ten years, and Portmeirion Group could face an unlimited fine for any bribery related offences committed by a person associated with us. The implications for Portmeirion Group are very serious; for example, we could be excluded from tendering for contracts and could suffer inevitable damage to our reputation. We therefore take our responsibilities in this regard very seriously.

It does not matter whether the bribery occurs in the UK or abroad and a corrupt act committed abroad may well result in a prosecution in the UK.

As a result, all Officers, Employees and Business Partners are required to comply with the procedures which Portmeirion Group has put in place to prevent persons associated with us from committing acts of bribery and corruption.

Our position on bribery

Portmeirion Group aims to conduct its business to the highest legal and ethical standards and it takes a zero-tolerance approach to bribery and corruption in any form by any of its Officers, Employees and Business Partners.

Portmeirion Group understands that different parts of the world have different social and cultural customs and it understands the need to be sensitive to these customs. For example, there are cultures in which refusing (or even failing to offer) a gift is considered impolite, and could alienate a key contact. However this does not affect our commitment to prevent any bribery or corruption and any giving or receiving of a gift or hospitality must comply with the spirit and intention of this policy.

The risk of bribery or corruption within Portmeirion Group will vary depending on particular work areas. The Group Company Secretary (Portmeirion) and Managing Director (Wax Lyrical) will work with the key people who are responsible for assessing the level of risk for their area.

Records

It is essential that Portmeirion Group keeps full and accurate records of all its financial dealings. Transparency is vital and false or misleading records could be very damaging to Portmeirion Group. Under money laundering regulations Portmeirion Group's lawyers and accountants are obliged to report to the relevant authorities anything which appears to be irregular or may amount to bribery or corruption.

Monitoring

The Group Company Secretary (Portmeirion) and Managing Director (Wax Lyrical) will monitor this policy regularly to make sure it is being adhered to. In doing this they act in the interest of Portmeirion Group as a whole and it is therefore the responsibility of all Officers, Employees and Business Partners to help them in this.

Personal responsibility

Officers, Employees and Business Partners are responsible:

- for reading and knowing the contents of this policy;
- for keeping full and accurate records of all cases where bribery is suspected;
- for reporting cases where they know or have a reasonable suspicion that bribery has occurred or is likely to occur.

Gifts and Hospitality Policy

For the purposes of this section, the following terms shall have the following meanings:

“Connected Person”	Any organisation or individual (other than an Officer or Employee of Portmeirion Group) who has or may have any connection with or influence over the business of Portmeirion Group.
“gift”	A financial or other benefit, offered, given, solicited or received without any obligation to provide any payment or benefit in return.
“hospitality”	The offering or providing of any facility either free or at a reduced rate which is designed to increase the comfort and pleasure of the person to whom the hospitality is being provided. For example free or reduced rate entertainment, meals, accommodation, travel or car hire.

Hospitality and promotional, or other business expenditure which seeks to improve the image of Portmeirion Group, or to establish cordial relations with our clients, suppliers and business partners, is recognised as an accepted and important part of doing business.

However, Portmeirion Group does not permit any Officer or Employee to, directly or indirectly, and whether in his/her personal capacity or on behalf of Portmeirion Group:

- to solicit any gift or hospitality in the course of his/her employment;
- to accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by Portmeirion Group in return;
- to offer or to give or to receive from any Connected Person any of the following:
 - a personal or corporate gift in excess of a value of £100.00;
 - hospitality in excess of a value of £500.00;
- to offer or to give a donation in excess of a value of £50.00, to any political¹, charitable², or not-for-profit organisation where a trustee, manager or beneficiary of that organisation is a Connected Person or is related to a Connected Person;

¹ The making of political donations requires the approval of the Board of Directors of Portmeirion Group PLC. The Board's policy is not to make political donations.

² Wax Lyrical makes regular donations of gift bags to charity. These are managed by the HR Manager. No employee should authorise a gift to a charity without authorisation from the HR Manager or Managing Director (Wax Lyrical) or Group Company Secretary or HR Director (Portmeirion). Such donations cannot be made with the intention of gaining business advantage.

- to offer, to give or to receive any gift or hospitality which is in breach of the applicable law. Consequently the law must be checked before any gift or hospitality is offered, given or received;
- to threaten or retaliate against another worker who has refused to commit a bribery offence or act of corruption or who has raised concerns under this policy; or
- to engage in any activity that might lead to a breach of this policy.

The cost of travel and overnight accommodation should not be accepted without the prior approval of the Group Company Secretary (Portmeirion), Managing Director (Wax Lyrical), or a board director as this is not, in most circumstances, considered gift/hospitality which is appropriate or reasonable in value. Officers and Employees may accept frequent flyer miles awarded by airlines for business travel for Portmeirion Group, provided that the travel option selected is in accordance with the corporate travel policy.

Receiving gifts

Where a gift is offered which clearly has a value in excess of £100.00, this should politely be declined and returned in a timely manner. If it would be awkward to refuse the gift it should only be accepted with the approval of the Group Company Secretary (Portmeirion) or Managing Director (Wax Lyrical) and handed over to the approver. Gifts of money should not be accepted in any circumstances even if it is indirect such as money to be spent on acquiring items or credit benefits such as a bet at a corporate event.

Giving gifts

In exceptional circumstances it may be appropriate to give a gift which has a value in excess of £100.00. Such gifts should only be given with the prior approval of the Group Company Secretary (Portmeirion), Managing Director (Wax Lyrical) or a board director.

Any gift must be proportionate and genuinely intended to achieve some legitimate objective e.g.:

- to improve the image of Portmeirion Group;
- to better present Portmeirion Group's products and services;
- to establish or preserve cordial relations with the recipient;
- the gift should not to any extent be intended to seek to entice the recipient to do business which may not otherwise be undertaken.

Furthermore, any gift must:

- be given in Portmeirion Group's name, not in your name;
- not include cash or a cash equivalent (such as gift certificates or vouchers);

- be appropriate in the circumstances (for example, the giving of small gifts at Christmas time);
- comply with the applicable law; and
- be given openly, not secretly.

Receiving hospitality

Reasonable offers of hospitality from a Connected Person such as an occasional meal, invitations to events, functions or other gatherings that are social in nature may be accepted.

Reasonable hospitality even if within the threshold of £500.00 should only be accepted if:

- the host is present;
- the purpose is to hold a bona fide business discussion or to develop better business relations, and does not create any form of obligation; and
- the entertainment was openly offered and not solicited.

The hospitality must be commensurate with general customary practice and reasonable in value. As a guide, apply "The Times Test" – if a friend, colleague or third party were to read that you had accepted this hospitality would you be embarrassed or concerned that they might consider your business judgement could have been influenced – if so, you should not give or accept the hospitality.

Giving hospitality

Hospitality in excess of the threshold of £500.00 should only be offered to Connected Persons with the consent of the Group Company Secretary (Portmeirion), Managing Director (Wax Lyrical) or a board director.

The hospitality must be genuinely intended to achieve some legitimate objective e.g.:

- to improve the image of Portmeirion Group;
- to better present Portmeirion Group's products and services;
- to establish or preserve cordial relations with the recipient.

The hospitality should not to any extent be intended to seek to entice the recipient to do business which may not otherwise be undertaken.

Facilitation payments

We do not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official.

If you are asked to make a payment on Portmeirion Group's behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with the Group Company Secretary (Portmeirion) or Managing Director (Wax Lyrical).

Kickbacks are typically payments made in return for a business favour or advantage. All Officers and Employees of Portmeirion Group must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us.

Keeping records

Every Officer and Employee of Portmeirion Group must notify the Group Company Secretary (Portmeirion) or Managing Director (Wax Lyrical) of all hospitality and gifts accepted or offered. The Group Company Secretary (Portmeirion) and Financial Controller (Wax Lyrical) will enter these details into the Gifts and Hospitality Register. The Group Company Secretary (Portmeirion) and Financial Controller (Wax Lyrical) will review and monitor the Gifts and Hospitality Register(s).

You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness.

Reporting procedure

Every Officer or Employee of Portmeirion Group has a responsibility to speak out if they suspect corruption or are aware of any gifts or hospitality given or received which may be in breach of this policy. Any concern in respect of such breach by:

- another staff member;
- a third party who represents us;
- by one of our suppliers, customers or competitors;

must be reported to the Group Company Secretary (Portmeirion) or Managing Director (Wax Lyrical) as soon as possible, or in accordance with the procedure set out in the Portmeirion Group Whistleblowing Policy, which is available from the HR department. This report may be made anonymously.

Officers or Employees who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about

possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy.

Portmeirion Group is committed to ensuring that no one suffers any detrimental treatment as a result of raising any concerns under this policy. If you believe that you have suffered any such treatment, you should inform your Line Manager immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure.

Implementation

Training on this policy forms part of the induction process for all new Officers and Employees. All existing Officers and Employees will receive regular, relevant training on how to implement and adhere to this policy.

Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

The Group Company Secretary (Portmeirion) and Managing Director (Wax Lyrical) have overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

The Group Company Secretary (Portmeirion) and Managing Director (Wax Lyrical) will have primary and day-to-day responsibility for implementing this policy, for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels are responsible for ensuring those reporting to them are made aware of, and understand, this policy and are given adequate and regular training on it.

Portmeirion Group will investigate all allegations of any breach of this policy, or any allegations of suspected corruption immediately. If a breach of this policy is discovered, Portmeirion Group will take all appropriate measures necessary to meet its legal obligations. Compliance with this policy is a condition of each Officer's and Employee's employment contract and breach of it constitutes a disciplinary offence. Each Officer and Employee is responsible for reading and knowing the contents of this policy.