

ANTI-BRIBERY AND CORRUPTION POLICY

IMSP080D

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The bottom half of the page features a series of overlapping, abstract red geometric shapes. These shapes include large triangles and curved, organic forms that create a dynamic, layered effect. The shades of red vary slightly, with some areas appearing darker than others, adding depth to the design.

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Document Owner: Jason Burt

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1. PURPOSE

Bribery and corruption can carry severe consequences for all concerned in it, including individuals and businesses. The purpose of this policy is to:

1. set out the responsibilities of Mears and its personnel, in upholding our commitment against bribery and corruption; and
2. provide information and guidance on how to recognise and deal with bribery and corruption issues.

2. SCOPE

This policy applies to Mears directors, officers, consultants, contractors and employees ("Mears personnel").

3. DEFINITIONS

"Mears" means Mears Group PLC and its subsidiary companies.

The terms "consultants" and "contractors" mean individuals who are specifically engaged to perform services within Mears on a temporary basis who do not have the status of "employee".

A "third party" means: (i) any individual who is not Mears personnel, and (ii) any organisation other than Mears.

The term "public officials" includes any state representative and employees of state entities, including arm's length organisations. If the characteristics of a third party indicate that they may be a public official (for example, because they are performing a role usually performed by public authorities), they should be treated as a public official for the purposes of this policy.

4. RESPONSIBILITIES

The Audit Committee has overall responsibility for managing anti-bribery and corruption risk.

The Compliance & Risk Team has responsibility for: (i) ensuring this policy complies with our legal and ethical obligations and (ii) providing advice and assistance on the application of the policy.

All Mears personnel have responsibility for implementing this policy and all directors and managers have responsibility for ensuring their staff comply with its requirements.

5. POLICY

A – What is a bribe?

A bribe is the act of offering, promising, or giving a financial or other advantage to another person:

1. With the intention of: (a) inducing conduct that amounts to a breach of an expectation that a person will act in good faith, impartially, or in accordance with a position of trust, or (b) rewarding such conduct; or,
2. With the knowledge or belief that acceptance of the advantage itself would amount to a breach of a person's obligation to act in good faith, impartially, or in accordance with a position of trust.

Bribery is punishable by up to ten years' imprisonment in the case of individuals. A business which is found to have taken part in corruption, or which fails to maintain adequate procedures to prevent it faces an unlimited fine.

Bribery and corruption also risk severe reputational damage for individuals and businesses. Such reputational damage is likely to have a significant financial impact.

Mears personnel must not offer or accept a bribe.

B – Culture

Mears recognises that a policy alone cannot protect against bribery and corruption.

Mears is committed to maintaining and further developing a culture which does not tolerate and is not complacent about the risks of bribery and corruption. Mears is committed to maintaining adequate procedures to prevent bribery being committed by its personnel or other persons acting for or on its behalf.

Mears is committed to developing this culture through training, education, and awareness initiatives.

C – What forms can bribery take?

Bribery is not only about payment of cash or funds. It can take the forms of other kinds of advantage, such as:

1. **Gifts or hospitality** – providing excessive gifts and/or hospitality. For more information, see our Gifts & Hospitality policy.
2. **Political or charitable donations** – Mears does not make political contributions and does not support political organisations. We do engage in charitable activities, including via the Mears Foundation, our independent charitable arm. Whenever we engage in charitable activities we do so in a lawful, ethical, and transparent manner. More information on our approach to sponsorship and donations can be found in Appendix 1.
3. **Facilitation payments** – these are payments made to public officials to obtain or speed up delivery of services which the public officials are, in any case, required to provide. For example, it would be a facilitation payment (and therefore a bribe) to pay a public official to issue a permit, when no payment is lawfully due for issuing of the permit.
4. **Appointments based other than on merit** – for example, offering employment or work experience to the relative of a public official, with a view to influencing that public official in the carrying out of their functions.

D – Offers made to Mears personnel

Unless required as part of their functions (for example finance personnel tasked with processing payments), Mears personnel must not accept cash payments from a third party.

Mears personnel may only accept non-cash gifts or hospitality in accordance with our Gifts & Hospitality policy.

If in doubt, Mears personnel should consult the Compliance & Risk team before accepting any gifts or hospitality.

E – Offers made by Mears personnel

Mears personnel must not give, promise to give, or offer gifts, hospitality or other benefit with the intention of improperly influencing a third party in order to receive a business advantage or as reward for a business advantage already given; or if the giving, promise, or offer might influence or be perceived to influence a business decision by a third party.

Appropriate hospitality expenditure given to a third party is acceptable where it is in accordance with our Gifts & Hospitality policy. In particular, Mears personnel should take care to ensure to avoid any perception that they may be inducing a third party to whom they are offering gift(s) or hospitality to

act improperly. That involves considering whether an outside observer might perceive that the intention or effect of offering the gift(s) or hospitality could be to influence a business decision.

F – Risk Assessment

The Audit Committee monitors Mears' risk of exposure to bribery or corruption, annually via its independent external audit, and periodically, via its independent internal audit processes.

Before undertaking new activities or operations, Mears assesses risk of exposure to bribery or corruption and implements such controls to mitigate that risk as are appropriate.

G – Training and communication

All Mears personnel receive training on this policy during the induction process and at appropriate intervals including enhanced training being provided to those colleagues most likely to be exposed to bribery or corruption risks.

Mears's zero-tolerance approach to bribery and corruption is communicated to suppliers and other third parties with whom we do business at the establishment of the business relationship.

We expect such third parties to have adequate procedures in place designed to prevent bribery.

H – Duty to make a notification

If you consider: (i) you, (ii) other Mears personnel, or (iii) a Mears supplier may have breached the law, this policy, or any applicable Mears policy, procedure, or guidance, you must report this as soon as possible to the Compliance & Risk Team or in accordance with the Whistleblowing policy at whistleblowing@mearsgroup.co.uk

Personnel who make a notification about a third party in good faith will not be subjected to detrimental treatment by Mears for doing so.

Further information in relation to Mears' management of good faith notifications can be found in the Whistleblowing policy.

6. OTHER RELATED POLICIES & PROCEDURS

1. Gifts & Hospitality policy
2. Whistleblowing policy

7. APPENDICES

Appendix 1 - Principles governing sponsorship and donations

1. Sponsorship and donations must only be offered or given to the extent authorised under the Mears Scheme of Delegated Authority ("SODA").
2. Personnel who are concerned that instances of sponsorship or donations may give rise to bribery and/or corruption risks should seek advice from the Compliance and Risk team before offering or giving any sponsorship or donations.
3. The Mears approach to sponsorship and donations is:
 - a. Focus our support less on simply writing a cheque and more around how we can use our own skills to add value to a particular works program or initiative. The value we can add by providing hands on support, almost always exceeds the financial value we can contribute. Where we are asked to make a financial contribution (for example to a regional or national conference), this must be agreed in writing by a PLC Director.
 - b. Mears has a strong and proud tradition of supporting the communities where we work. Projects are often developed in conjunction with local charities and community groups. Local branches should choose projects that are most aligned to the needs of the local community and where we can best utilise our skills. Personnel should always ensure that there is transparency in the way that projects are chosen, and they can demonstrate social value. Sponsorship and donations must not be offered or given by Mears if they are, or could be perceived to be, reciprocation for gifts and/or hospitality given to Mears personnel.
4. Where a gift, donation or sponsorship is offered for the benefit of a social value project Mears is involved in, (rather than for Mears or an individual employee), acceptance will be at the discretion of the Business Unit Managing Director, unless it exceeds £5,000, in which case the prior written approval of a PLC Director is required.
5. Sponsorship or donations offered or given to existing, prospective or target clients represent an enhanced bribery and corruption risk and must not be offered without prior written approval from a PLC Director.
6. Sponsorship or donations must not be offered or given to political parties, trade unions, politicians, or public officials. Sponsorship or donations may only be offered or given to religious institutions with the prior written approval of a PLC Director.