

Anti-Bribery and Corruption Policy

RS Group plc

Foreword by the CEO

Our purpose as a group is to Make Amazing Happen for a Better World. A key part of that is to ensure we operate in an ethical way in all aspects of our business, including our interactions with all of our business partners and other external stakeholders.

We are committed to conducting our business and affairs so as to ensure that we do not engage in or facilitate any form of bribery or corruption: we have a zero tolerance approach to bribery and corruption.

This policy is a key part of our Code of Conduct: I and our Board expect all of our businesses, employees and business partners (such as suppliers and customers) to live up to its standards.

It is of fundamental importance that business decisions not only are, but are also seen to be, made impartially. As such, all our employees and business partners need to understand what bribery is, and understand and follow the rules and guidelines which govern our activities.

But beyond the words in here, I would ask you to think about the principle of doing business ethically and fairly in all of your actions on behalf of the Group.

Thank you for your support in ensuring RS continues to be a company we can be proud of being part of.

1. Introduction & Purpose

Many countries have laws prohibiting bribery and corruption which govern how we do business not just in those countries but on a world-wide basis. The purpose of this policy, and the other linked policies referred to below, is to establish controls to ensure compliance with all applicable anti-bribery and corruption laws and regulations, and to ensure that the Group's business is conducted in an ethical, legal and socially responsible manner.

These Policies are mandatory and it is the responsibility of all employees and business partners to comply with them as part of our shared commitment to the values we as a company stand for. Any breach of this policy will be treated very seriously and may lead to disciplinary action (including dismissal) for employees or contract termination for business partners.

Business unit and corporate leaders must implement processes and procedures to give effect to this policy in their area: The controls set out here are only the baseline for compliance and some parts of the business may need to consider additional measures.

2. Key policy

The Group, its employees and business partners will not offer or receive any bribe or facilitation payment or enter into corrupt practices of any kind. Incidents and issues which deviate from this policy should be reported to the General Counsel or use the Speak Up facility to make a report.

3. Scope

This policy covers the following topics which are considered in more detail below:

- Bribes;
- Facilitation payments;
- Gifts and hospitality;
- Marketing Incentives/Customer Rewards/Sponsorship

- Political contributions; and
- Charitable donations.

Compliance with this policy is mandatory for all employees, temporary staff, consultants and business partners.

Exclusion List

Each business unit must maintain an “exclusion list” consisting of:

- Customers to whom the business will not actively promote customer offers, and who will be barred from participating in such offers;
- All known public officials and government employees; and
- Customers and suppliers that have a policy in place to restrict their employees from receiving gifts and hospitality or who have otherwise asked to be excluded.

3.1 Bribes

Bribery is the offering, promising, giving, accepting or soliciting of an advantage (whether financial or otherwise) as an inducement for action which is illegal or a breach of trust.

Bribery can be ‘active’ (where an employee of the company offers, promises or gives an advantage), or ‘passive’ (where an employee requests, agrees to receive or accepts an advantage). The “advantage” does not have to involve cash or a payment changing hands. It could consist of lavish gifts, hospitality and expenses, access to assets or a favour made to a relative, friend or favoured cause – for example giving a job or other benefit to a relative of a public official in order to secure a contract.

Employees and business partners must not engage in any form of bribery, either directly or through any third party (such as an agent or distributor). Particularly strict requirements apply if engaging with a public official anywhere in the world.

Some forms of bribery are more obvious than others. The typical scenario we all recognise is cash “unofficially” given to someone in payment for a favour – such as to a Customs official to speed the transit of goods across a border, or to an employee of a customer to secure a valuable contract. But acts of bribery are often disguised as something else. Sections 3.2 to 3.6 below cover some examples of specific activities which constitute bribery, or which might constitute bribery unless undertaken strictly in accordance with the rules and procedures set out in this policy.

It is the responsibility of all of us to use our judgement to determine whether or not an action or proposal meets the high ethical standards required of us. If in doubt, ask your line manager, consult Group Legal or report your concerns via the Speak Up facility described in Section 5 below.

3.2 Facilitation payments

Facilitation payments are a form of bribery made for the purpose of expediting or facilitating the performance by a public official of a routine governmental action, for example payments to a customs official to speed clearance of a shipment, or to a regulator to gain regulatory approval to a new product.

“Public official” covers a wide category of people and includes not only employees of national or local government and public bodies (such as the police, armed services, customs and immigration), but also employees of government-owned businesses.

Our strict policy is that facilitation payments must not be paid.

We recognise, however, that our employees may be faced with situations where there is a risk to the personal security of an employee or his / her family which can only be averted by making a facilitation payment, in which case the following steps must be taken:

- Keep any amount to the minimum;
- Create a record concerning the payment; and
- Report it to your line manager.

Each business unit of the Group will keep a record of any such payments made, which must be reported to the General Counsel, in order to evaluate the business risk and to develop a strategy to minimise such payments in the future.

3.3 Gifts and hospitality

Gifts and hospitality are an established means of cementing business relationships. But gifts or hospitality may be in breach of the law and/or this policy if (for example) excessive in value, offered or accepted at inappropriate times, or where it appears that the gifts or hospitality are intended to influence decision-making. Be aware that bribery can include gifts or hospitality offered to, or by, a third party such as a relative or friend of a business partner.

As such, before offering or accepting any gift or hospitality (even if the value is within the permitted limits referred to below), employees must consider the circumstances of such gift or hospitality. Ask yourself: might this affect, or does it look as if it could affect, a business decision? For example gifts or hospitality offered or given to a customer, or accepted from a supplier, during a tender process involving that customer or supplier. All gifts and hospitality should be reasonable and justifiable.

Certain forms of gifts or hospitality are absolutely forbidden under any circumstances, as set out below.

Prohibited gifts and hospitality

Employees must not offer or give or accept any gift or hospitality:

- to any public employee or official (see section 3.4 below for details of who this covers);
- which violates the recipient's policies;
- which could be regarded as illegal or improper, or suggest that a return favour is expected;
- which is not permitted by local business unit guidance;
- which is in cash or cash equivalent such as gift vouchers or tokens; or
- to any individual or business on an exclusion list.

Thresholds for notifying gifts and hospitality

Gifts or hospitality not falling within a prohibited category may be offered or accepted only in compliance with the rules set out below.

If any gift or hospitality (whether being given or received) exceeds £50 in value for each individual gift or £250 in value for each hospitality event (not to exceed a total of £1,000 in any financial year) (in each case in local currency equivalent where applicable) you must obtain a manager's approval (Country Manager or F1-2) and notify the General Counsel of your manager's consent via the Group's Gifts & Hospitality Register or such other format as determined by the General Counsel. If a gift should be declined but it is not appropriate to do so, the gift may be accepted, provided it is then declared to the employee's manager and donated to charity.

Within the above parameters, business unit leaders and local management may define specific guidelines and policies to reflect local or industry standards. Any local guidelines must be communicated to the General Counsel.

3.4 Marketing Incentives/Customer Rewards/Sponsorship

A marketing incentive or customer reward campaign means the offer of specific incentives or rewards to a customer or a closed group of customers as an inducement to place orders or increase customer spend. Typically these take the form of rewards linked to average order value and/or frequency. This does not include generally-available published offers or contractual discounts negotiated in accordance with RS Group procedures.

Reward campaigns connected to customer orders must only be carried out where appropriate guidance and controls are in place to ensure they are conducted in an ethical, legal and transparent manner. Business units may only carry out such campaigns in accordance with the [Group Marketing Campaigns Policy](#) and other guidance provided by the Group Legal team.

Sponsorship of events such as trade fairs (provided the sponsorship is not tied in any way to a particular supplier or customer) is generally encouraged as a means to connect with current and potential customers. But any sponsorship which is intended to or might have the effect of conferring a benefit on a specific existing or potential customer or supplier must be referred to the General Counsel.

Sponsorship of party political events is prohibited as noted in section 3.5.

3.5 Political contributions

We do not make donations, whether in cash or kind, in support of any political parties or candidates, as this can be perceived as an attempt to gain an improper business advantage. Sponsorship of party political events (including having a trade stand at such events) is classified as a “donation” to that party and as such we do not participate in these events.

3.6 Charitable donations

We support, and encourage employees to support, projects which benefit the local and wider community, including environmental, conservation, social and educational projects in line with the aims set out in our ESG Action Plan. Charitable support offered by RS Group includes in-kind services, knowledge, time, or direct financial contributions. However, employees must be careful to ensure that charitable contributions are not used as a scheme to conceal bribery. All charitable donations (in whatever form) must be made only to bona fide organisations whose aims and activities are consistent with the Group’s values as set out in this policy. No donations may be made where this would give rise to a conflict of interest, or to a charity which has links to a public official or to any other person who is in a position to influence decisions relating to our business.

All donations must comply with Group Finance policies and procedures including Delegation of Authorities. More information is available from the relevant business unit’s finance team.

4. Third parties

Distributors and agents: We must not allow any distributor, agent or other third party to be a channel through which improper payments are made or improper gifts or hospitality are given on our behalf. Compensation paid to distributors, agents and other third parties (such as consultants) must be appropriate and justifiable remuneration for legitimate services rendered, and their contractual arrangements must be documented and appropriately authorised. Distributors, agents and other third parties must be required to agree contractually to comply with our anti-bribery and corruption policy, and any failure to do so should give us the right to termination.

Contractors and suppliers: We will conduct our procurement in a fair and transparent manner and we will act with due care when evaluating major prospective contractors and

suppliers. We will make our anti-bribery and corruption policy known to our contractors and suppliers, and where possible we will have a right of termination where our policy is breached.

Due diligence: We will undertake appropriate risk-based due diligence of our proposed partners (including suppliers, customers, distributors and agents) before we trade with them to address the risk of doing business with companies with a reputation or practice of bribery.

Conflicts of interest: As an employee of RS Group you must put the interests of our business before the interests of any other organisations you may be involved with. Many of us will have commitments to, or interests in, organisations outside work. Conflicts of interest can happen if an employee's personal, social, financial or political activities interfere, or potentially interfere, with their loyalty to RS Group. Please refer to the [Conflicts of Interest policy](#) on the Group Policies page for more information.

5. Whistleblowing

If you have any concerns about any breach of this policy please report this as soon as possible. Notifications can be made by contacting your line manager or the General Counsel. Alternatively, if you would prefer to report your concerns anonymously, this can be done via our Speak Up service. The Speak Up service can be contacted via a 24-hour freephone number, email or online. Click [here](#) for a link to the Speak Up Policy and more information as to how to make a report on the Group Policies page of the intranet. This service is run by an independent company and phone calls to the service are not traced or recorded so bribery concerns can be reported anonymously.

6. Implementation

Responsibilities: The General Counsel owns this policy, which is approved by the Group Board.

Business unit and corporate leaders are primarily responsible for its implementation within their sphere of control. Every employee is responsible for their own compliance with this policy.

Group-wide: This policy applies throughout the Group to all business units, subsidiary companies and business partners.

7. Linked Policies & Controls

The linked policies and procedures referred to above (as summarised below) can be found on the [Group Policies page](#):

- RS Group Code of Conduct
- Gifts and Hospitality Register
- RS Group Marketing Campaigns Policy
- RS Group Conflicts of Interest Policy

For the Speak Up Policy please click [here](#).

Policy last updated: January 2023