



# IPS (Industrial Premier Services) Anti-bribery Policy IPS-QHSE-PL-008

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# Revision History

Revision Number:	Revised Date:	Doc Owner	Doc Authority	Summary description of changes
R-00	18.04.2022	Azer Sadixov	Faraj Gasimov	Initial release
R-01	16.01.2023	Aydin Manafov	Faraj Gasimov	Slightly changing on text format



## **Anti-bribery Policy**

At IPS we are committed to doing the right thing, the right way. Our Code of Ethics outlines the standards and behaviors that IPS upholds as a company, to ensure that the highest standards of honesty and integrity are maintained. This is more important than ever because of the strict new rules brought in by the new Bribery Act. We operate a zero tolerance approach to the making or receiving of bribes or corrupt payments, in any form. This type of conduct is absolutely prohibited whether committed by employees or anyone else acting on the Company's behalf. This policy sets out what is and is not acceptable in general terms, but if you are in any doubt as to whether any conduct could amount to bribery, the matter should be referred to the QHSE Manager, who is the Chief Compliance Officer for this policy. It is essential that you read and comply with this policy.

### **1. About this policy**

This policy sets out what we must all do to help prevent bribery in all its forms. A bribe may include any payment, benefit or gift offered or given with the purpose of influencing a decision or outcome. The bribe may not always be of a large value. It could be a lunch or an invitation to a sporting event. We recognize that market practice varies across the territories in which IPS does business and therefore what is normal and accepted in one place may not be accepted in another. However, we are fully committed to complying with our obligations under applicable legislation, including the Bribery Act (the "Act"), and ensuring that no bribes or corrupt payments are made, offered, sought or obtained by anyone acting on our behalf, to anyone, anywhere in the world.

If you are ever in doubt about a situation with which you are presented, always seek advice. You should contact the QHSE Manager on +994 50 253 78 74 or email: [kbaghirov@ips-int.com](mailto:kbaghirov@ips-int.com) in the first instance.

### **2. Who must comply?**

The IPS Anti-Bribery policy is mandatory for all IPS employees, agents, intermediaries, consultants, distributors, sub-contractors, suppliers and Joint Venture partners working on the Company's behalf anywhere in the world ("Business Partners"). Our franchise partners are also expected to conduct themselves in accordance with the standards set out in this policy. It is important that you take the time to read and comply with this Policy. The prevention, detection and reporting of any bribery in any form is the responsibility of all employees across the IPS and all individuals and entities over which IPS has control. Appropriate confidential channels for employees and Business Partners are in place to report any suspicion of bribery, these are described later in this Policy. Any failure to comply with this Policy will be treated seriously and may result in disciplinary action.

### **3. How do you comply?**

You must read and abide by the terms of this Policy. You may also be required to provide written confirmation that you will comply with this policy, by signing up via the Code of Ethics.

### **4. What happens if you don't comply?**

#### **4.1 For Employees:**

Any act of bribery, in whatever form is unacceptable. We will consider taking disciplinary action against anyone who fails to comply with the anti-bribery policy up to and including

dismissal. Failure to comply with this policy may also leave you open to a criminal prosecution under the Act. An offence under the Act can result in a fine and/or up to a maximum of 10 years imprisonment.

#### **4.2 For IPS:**

A breach of this Policy by an employee or business partner could result in the Company breaching the Act. An offence under the Act can result in the business being fined and would likely lead to negative publicity and serious damage to the reputation of the IPS brand.

### **5. What you cannot do**

#### **5.1 Prohibited conduct**

The following conduct is absolutely prohibited under this Policy:

- making unofficial payments to officials in order to obtain any permission, permit or stamp particularly in connection with importing or exporting goods;
- appointing any third party or supplier to act on behalf of IPS who you know or have good reason to believe to have engaged in any corrupt or unlawful conduct including any offences under the Act; or
- paying any third party for the purposes of being a 'fixer' to open doors and make connections for us overseas

#### **5.2 Facilitation payments**

Facilitation payments ('facilitating', 'speed' 'back-hander' or 'grease' payments) are any payments, usually small cash payments made to low-level officials, as a bribe to secure or expedite the performance of a routine or necessary action or level of service.

IPS employees or Business Partners must never offer, pay, solicit or accept bribes in any form, including facilitation payments.

### **6. Checking out suppliers and partners: due diligence**

Where there is a Significant Bribery Risk all Business units must consult Legal in relation to appropriate anti-bribery compliance measures **before**:

- appointing a new supplier;
- entering into a partnership;
- appointing an agent to work on the Company's behalf; or
- entering into a new contract/ or amending the terms of an existing contract

#### **A Significant Bribery Risk will arise if:**

1. the services involve business partners paying fees, taxes or payments on behalf of IPS in relation to the import or export of goods.
2. the services involves business partners obtaining official permits, permissions or agreement from public officials or agencies; or
3. there are any particular reasons to suspect that the risk of corruption or bribery is higher than normal.

Legal will advise on the level of due diligence required and the form of any anti-bribery clauses required in relation to an agreement or contract. Any due diligence must be completed **before**:

- the contract with an agent or partner is signed or renewed;
- the agent does any work;
- the partnership undertakes any activities;

If the business unit and Legal cannot agree on whether due diligence is required or the due diligence to be undertaken, then the matter must be referred for determination to the relevant Business Unit executive and to the Head of Legal.

#### **Due Diligence**

IPS Company should never enter into any relationship with a third party who will have substantive interaction with government officials on behalf of the Company without an inquiry into the third party's background, qualifications and reputation. Any issues raised during this due diligence review must be addressed to the satisfaction of the Company prior to entering the relationship. The amount of time and effort required for due diligence will depend on the

number and complexity of issues raised during the review process. Employees should inform their Local Ethics Officer once they have identified a third party who will have substantive interaction with government officials on the Company's behalf. Either the employee or the Local Ethics Officer will then direct the third party to complete the Company's online due diligence questionnaire. The online questionnaire provides a means to capture the information necessary to thoroughly assess the third party's background and reputation, as well as determine that:

- The third party is not a government official or a company in which a government official has an interest, and
- The third party will become familiar with the Company's high standards of conduct and certify that it will not engage in any improper practices that could expose the Company to liability or are otherwise inconsistent with Company business practices.

## **7. Gifts, Hospitality and Entertainment**

All IPS employees are expected to conduct themselves with integrity, impartiality and honesty at all times. Accordingly, all employees are required to follow these rules on Gifts, Hospitality and Entertainment. In addition, employees of IPS Joint Ventures or subsidiaries, whether in the Azerbaijan or elsewhere, are required follow these standards. We also expect employees of our franchise partners and suppliers to conduct themselves in accordance with these standards.

You must maintain a high standard of professionalism and not open yourself up to suspicion of dishonesty or put yourself in a position of conflict between your work and your private interests. Gifts and entertainment given and received as a reward, inducement or encouragement for preferential treatment or inappropriate or dishonest conduct are strictly prohibited. In particular, no gifts, hospitality or entertainment may be given or accepted during a tender process or during contractual negotiations if there is any realistic risk that such gifts or entertainment could influence the outcome of such processes or negotiations.

It is important that all IPS employees' actions are able to withstand scrutiny, and not cause any embarrassment to the Company, yourself or any third party, including contractors or suppliers.

### **7.1 Receiving and giving gifts**

You may accept low value token gifts such as branded pens, stationery and mouse mats produced for the purpose of being given away, if given by an existing supplier. Occasional boxes of confectionery, etc may be given to a department as opposed to an individual. Otherwise you must refuse personal gifts such as Christmas, wedding or birthday gifts, including vouchers or cash equivalents, received from franchise partners, suppliers, clients and other third parties. In some parts of the world it is conventional for individuals to exchange gifts in various business related contexts. If you are engaged in business in such locations a gift can be accepted and a reciprocal gift of a reasonable value may be given, if approved by the relevant Management representative. However, the accepted gift should be registered in the Gift Register.

Any gifts offered must be acceptable within the policy of the receiver's company/organization and if you are in any doubts about acceptability no gift should be provided.

A Member, officer, or employee may accept a gift, other than cash or cash equivalent, having a value of less than 50 AZN, provided that the source of the gift is not a registered lobbyist, foreign agent, or private entity that retains or employs such individuals. Any gift or entertainment which is given or accepted must be notified by employees to their manager in writing and added to the gift register.

### **7.2 Hospitality/Entertainment**

IPS employees may occasionally receive invitations from suppliers or others to corporate hospitality or entertainment events.

Hospitality or entertainment may only be accepted if:-

- employees or personnel from the supplier are in attendance;
- the supplier does not pay any accommodation or (more than trivial) travel expenses for IPS employees;
- the entertainment and/or acceptance of it could not be interpreted as a reward, inducement or encouragement for a favor or preferential treatment; and
- it is not unduly lavish or extravagant.

Reciprocal hospitality may be offered but needs to be approved by Management, for example when our overseas suppliers/partners visit the Azerbaijan.

### **7.3 Hospitality and Entertainment Register**

To ensure openness and transparency, all hospitality and entertainment must be recorded in the relevant Hospitality and Entertainment Register on a monthly basis.

### **8. Political and Charitable Contributions**

IPS does not make contributions or donations to political organizations or independent candidates, nor does it incur any political expenditure.

We respect the right of individual employees to make personal contributions, provided they are not made in any way to obtain advantage in a business transaction.

IPS communicates views to government and others, on matters which affect its business interests or those of its shareholders and employees, as a way of assisting in the development of regulation and legislation affecting the business.

IPS is committed through Plan A to charitable giving and supporting the community. The Company ensures that at least one per cent of pre-tax profits fund initiatives that benefit the community. Donations are given according to Company policy and care must be taken to ensure such donations are never used to gain improper influence.

### **9. Speaking Up – Reporting Bribery**

IPS aims to conduct business with the highest standards of ethics, honesty and integrity, and recognizes that you have an important role to play in maintaining this aim. Any employee concerned about any form of malpractice, improper action, or wrongdoing by the Company, its employees or other stakeholders are strongly encouraged to report the matter through the dedicated Speak Up helpline.

We believe it is essential to create an environment in which you feel able to raise any matters of genuine concern internally without fear of disciplinary action being taken against you, that you will be taken seriously, and that the matters will be investigated appropriately and as far as practicable be kept confidential.

IPS believes that any employee with knowledge of bribery in any form should not remain silent. We take all matters of malpractice, improper action or wrongdoing very seriously and you are strongly encouraged to raise incidents or behaviors that are not in accordance with the policy, by following the procedure set out below:

#### **Line Manager**

In the first instance, you should consider raising your concerns with your line manager. He/she has a responsibility to listen and respond to any matter that is of concern to you. Concerns can be raised verbally or in writing. Your line manager will determine whether he/she is able to investigate the concern directly, keeping the QHSE Manager updated, if appropriate, of progress and its conclusion. If your line manager is unable to resolve the issue locally, he/she will escalate the concern to the General Manager, who will manage your concern.

## **General Manager**

If you feel that you cannot raise your concern with your line manager, for whatever reason, you should contact the general manager in your business unit or store, who will consider the matter, manage any investigation, keeping the QHSE Manager informed, if appropriate, of progress and its conclusion.

### **Speak Up: Confidential Employee**

Helpline If you wish to raise a concern using the confidential employee helpline as the nature of the concern is such that you feel it cannot be raised internally, or if you feel that, after reporting the concern internally, the matter still remains unresolved, you can raise the concern via the Company's confidential Speak Up employee helpline:

+994502537874

QHSE Manager

Kamil Baghirov

The Company recognizes that there may be some cases where no wrongdoing is found through internal procedures. Protection will be given and no disciplinary action taken if the disclosure is reasonable, made in good faith and the information believed to be true.

### **If in doubt / Advice**

If you have any questions you should contact the QHSE Manager on on +994 50 253 78 74 or email: [kbaghirov@ips-int.com](mailto:kbaghirov@ips-int.com) . This Policy should also be read in conjunction with the Code of Ethics



Director  
Faraj Gasimov