



Anti-Bribery and Corruption Policy

The purpose of this Policy is to set down a clear code of conduct that ensures everyone acting on our behalf understands and conducts themselves in accordance with the legal regulations relating to bribery and corruption.

Crest Nicholson Plc (the "**Company**") and its divisions, subsidiary and holding companies (together: "**we/us/our**") expects its directors, non-executive directors, employees and Associated Persons ("**you/your**") to carry out a sufficient amount of due diligence at all times to ensure they and we do not breach any bribery and corruption legislation, and specifically the Bribery Act 2010 (the "**Bribery Act**").

We demand the highest standards when it comes to combating bribery and corruption in any form, whether direct or indirect. Conducting business with integrity is a core and non-negotiable Company value. You are not authorised to do any act, or give or receive any gift or hospitality that may constitute a Bribe (as defined below).

Provided the guidance set out below is followed, it remains acceptable to conduct or receive reasonable and proportionate corporate entertainment and hospitality, and from time to time, to give or receive limited gifts in the furtherance of business relationships. The Policy does not aim to change the general spirit of corporate entertainment so long as it remains within the law.

Proportionate, bona fide and reasonable entertainment and gifts should not ordinarily constitute a Bribe. Employees should refer to the separate Gifts & Entertainment policy for further information. Associated Persons should refer to the Supply Chain Code of Conduct for further information.

You must act responsibly and ethically at all times. Ethical and proper trading practices are critical to fair markets and our success. It is our legal responsibility to have proper processes in place to prevent bribery and corruption.

Any failure to comply with any element of any of our policies and Supply Chain Code of Conduct in relation to bribery and corruption will be treated seriously.

This Policy applies to all employees and directors employed by the Group, as well as non-executive directors of Crest Nicholson Holdings plc.

When working with or for us, this Policy also applies to suppliers, sub-contractors and consultants and other Associated Persons.

The Bribery Act's reach extends to Associated Persons as well as directors and employees of the Company. The illegal actions of Associated Persons can, in some cases, result in liability on the part of the Company, whether or not the Company was aware of these actions.

Employees have a duty to ensure that no one working for or with us is involved in the offering or accepting of Bribes or engaging in any form of corruption. If an employee suspects that another director, employee or Associated Persons acting in the course of their business with the Company has offered or accepted a Bribe, then they have a duty to report this to their immediate manager at the first possible instance.

Anti-Bribery and Corruption Policy



Definitions

“Associated Person” - Someone who performs services for, or on behalf of, the Company (e.g. supply chain partners, such as individual contractors, agency staff, agents, consultants or representatives of the Company).

“Bribe” - The direct or indirect offering, promising, giving, accepting or soliciting of a financial value (or other advantage) as an inducement for an improper action that breaches our expectation that the person receiving the Bribe will act in good faith, impartially or in accordance with a position of trust in a business or commercial activity or function.

“Facilitation Payment” - A payment made to an official to encourage or induce them to execute a routine official function, or to do so in a timelier manner.

“Public Official” - The term Public Official is applied broadly, and includes any person, whether elected or appointed, in any branch of foreign, national, local or municipal government in any jurisdiction, including the UK. It includes officials holding a legislative, administrative or judicial position of any kind and any political party official, or any candidate for public office. The term also covers a person who exercises a public function for any public enterprise or public agency. As such, Public Officials could include members of the police or fire services. It also covers certain individuals who work for businesses that are owned or partly owned by governments.

Although the Bribery Act is considered to place a greater burden on bribery that concerns “foreign” Public Officials, the Group’s policy treats all Public Officials, whether foreign or domestic, in the same way as if a greater duty exists generally.

Procedure

The direct or indirect offering, promising, giving, accepting or soliciting of, a financial or other advantage of value which constitutes a Bribe is prohibited.

A key consideration is whether a benefit has, or could be perceived to have, influenced the other party to: act differently, treat the giver in a different way, and/or to act in a way that breaches an expectation of acting in good faith, impartially or of trust.

No Bribe shall be made to secure or retain the business of the Company for any other person or company.

You will not be reimbursed for expenses you incur that are subsequently deemed, or found to be a Bribe.

We have produced internal guidance for some specific business areas where the legitimacy of our practices and the way in which they are carried out must be considered carefully to ensure that their proper purpose is correctly characterised and disclosed. This information is found in the Bribery Risk Areas Guidance.

Facilitation Payments

We do not engage in bribery or any form of unethical inducement or payment, and this includes Facilitation Payments. You must not make any Facilitation Payments on our behalf.

Anti-Bribery and Corruption Policy



If you have doubts about whether a payment should be made and suspect that it might be considered a Facilitation Payment, you should seek further advice immediately from your Crest Nicholson line manager or point of contact, who will liaise with the Company Secretary to agree to the payment or another course of action. You should only ever make a payment if the official or third party can provide a formal receipt or written confirmation of its legality and obtain senior management/legal approval for the payment.

If you are threatened with immediate physical harm for not making a Facilitation Payment, you may make the payment, but you must immediately report the payment and details of the circumstances in which it was made to your immediate manager at Crest Nicholson **and** the Company Secretary.

Payments to Public Officials

No improper payment will be made to any Public Official where the objective of which is to influence the Public Official on matters affecting us or to obtain or retain business, or a business advantage.

Conflicts of Interest

You are required to avoid any activities that might lead to, or suggest, a conflict of interest with the business of the Company. Any payments made by you that relate to an actual or potential conflict of interest will be subject to the same scrutiny as if it were the business of the Company.

Political Contributions

As a general rule we do not make direct or indirect contributions to political parties. As such, you are prohibited from offering, promising or giving any political contributions without prior approval from a Crest Nicholson main board director.

Gifts, Entertainment and Expenses

Separate policies are in place regarding the treatment of gifts, entertainment and expenses for Crest Nicholson employees. These policies also set out the threshold levels for seeking any requisite approvals, and provide a framework for the recording of the same, both at general employee level and at management level. Good practice permits such expenditures and the receiving of such benefits where they are transparent, proportionate, reasonable and bona fide. Excessive or unreasonable gifts, entertainment or expenses are prohibited. Crest Nicholson employees should refer to the Gifts and Entertainment Policy for full details.

The same good practice principles apply to Associated Persons and they should have their own policies and procedures in place to cover these areas.

Charitable Donations

Charitable donations or other sponsorship must not be used as an alternative form of bribery. However, there will be situations where it is ordinary and proper to make charitable donations to organisations associated with, or supported by, business partners within the ordinary course of trading relationships.

It is critical that the circumstances around which a donation is made are considered and approved by a Crest Nicholson main board director unless the donation is under £1,500, which can be

Anti-Bribery and Corruption Policy



approved by a Crest Nicholson divisional managing director. Donations must not be made where a third party will do anything improper (in a business context) as a result of such a donation.

Reporting Obligations

If you suspect, know or are involved in an act of bribery you have a duty to report your suspicions, knowledge or involvement to your immediate manager at the first available instance or to a more senior manager within Crest Nicholson. If you still you feel unable to raise an issue at any level, you may contact our anonymous, confidential and free telephone services 24/7 on 0800 374 199. This telephone service is run by an independent organisation Expolink.

In cases where you feel threatened or pressured as a result of either wishing to disclose, or disclosing, someone else's wrong doing, we will ensure that you are protected and suffer no harm as a result of disclosing such information. For further details please refer to our Whistleblowing Policy.

Training

All our employees must complete compulsory training. We require employees to complete the training within one month of starting their role with the Company.

Your employment will only be confirmed on a permanent basis at the end of your probationary period if you have completed the compulsory training. Continued non-compliance could result in your employment being subject to disciplinary action.

Certain categories of Associated Persons that the Company considers to be appropriate will also be required to complete the training. The Company will consider sanctions against these persons in accordance with the structure of their appointment for non-compliance.

Assurance

You must operate in compliance with this Policy (as amended from time to time) and any related documents as well as with all applicable laws.

If you fail to comply with this Policy, or the law on bribery and corruption, you may be subject to criminal and civil sanctions and will be subject to disciplinary action being taken by the Company.

A handwritten signature in blue ink, appearing to read 'P. Bergin'.

Patrick Bergin, Chief Executive

June 2018

The Audit and Risk Committee will monitor the effectiveness of this Policy, and will review it on a regular basis, annually as a minimum.