

HOSPITALITY AND PROMOTIONAL STANDARDS

Introduction

This document describes typical promotional activities and gifts that the Company considers to be appropriate and ethical business practice.

Hospitality or promotional expenditure, which is reasonable, proportionate and made in good faith is an established and important part of doing business.

Excessively lavish or disproportionate hospitality and promotional expenditure, however, could be considered as bribery, and form the basis of offences under the Bribery Act 2010.

Hospitality, promotional activities or gifts should never be offered unless they are to be given freely, and unconditionally.

Hospitality

Hospitality should be limited to that which is required to facilitate business activities, and not extended unreasonably to persons irrelevant to those activities, or beyond the conclusion of those activities.

Promotional activities and gifts

Promotional activities and gifts are common in business activities and are appropriate when offered with the intention of cementing good business relationships and promoting the image of the Company. They may also be offered in thanks for a mutually beneficial relationship for example during a particular project.

Promotional activities that would be typical and appropriate within the business context of Lucas UK Group could include taking clients to a sporting event, hosting modest sporting events such as golf days or track days and perhaps fine dining.

Promotional gifts that would be typical and appropriate within the business context of Lucas UK Group could include the offer of a turkey or wine at Christmas or stationery items marked with the Company logo.