

Expac (Preston) Ltd	Quality Manual Unethical Conduct & Practice	Page 1 of 1
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Company Overview	Expac is a small business primarily providing product development and contract manufacturing services to wide customer base ranging from major retailers to privately owned brands.
Nature of Business	As a contract manufacturer Expac operates on an order by order basis where the customer places orders and goods are manufactured in accordance with the quantities and price stated in the order. Larger customers put contracts of supply in place detailing agreed pricing mechanisms over the course of the contract, however goods are provided on an order by order basis potentially against a forecast. Typically customer order quantities and order values are relatively small and the margins for Expac are relatively small for each order, therefore there is a little value for Expac to engage in unethical behaviour to win business as the margin and order value do not support gain for the desire of financial gain from unethical conduct. Trade shows, visits to the Expac site or customer offices are a part of the industries way of doing business in which relationships, with alignment and understanding improve the delivery of projects and resolution of issues. Through the course of business individuals employed by Expac and by the customer may engage in unethical conduct between themselves for which on individual basis and could involve direct payments, excessive favours and excessive hospitality.
Identification of Risk	There are many Expac employees which through the nature of their role involves the purchasing of goods and services or the commercial agreement for the supply of goods and services to customers. These activities give potential for the Expac employee to seek to engage in unethical behaviour for gain which may be in the form of, bribes, side payments, excessive favours, direct payments, excessive hospitality or other gain outside of the work environment. A risk assessment has been conducted to identify what unethical aspects an employee may have an opportunity to engage in and when an employees may engage in unethical behaviour in the course of business. There is a rating system which identifies which roles require training relating to ethical business conduct.
Customers	The customer as a business entity has very little to gain from unethical behaviour and trying to influence Expac as a business, there are many operators in the contract manufacturing and it a very competitive sector which makes gaining any competitive advantage very difficult from behaviour such as collusion . Individuals employed by Expac and our customers do have the potential to gain by engaging in unethical behaviour, this could be in the form of bribes, cash payments, side deals, facilitation payments or excessive hospitality from the Expac employee to the customer employee.
Suppliers	Suppliers to Expac may look to engage in unethical behaviour with Expac employees that will gain them business with supply of new goods, more orders or price increases for increased financial return. This unethical behaviour is likely to be in the form of side deals, direct cash payments, excessive favours and excessive hospitality.
Service Providers	Expac uses a wide range of providers for services to a number departments throughout Expac. These service providers can range from being single individuals such as consultants and specialist skills, through to larger multi employee businesses. The opportunity for unethical behaviour could be agreed between individuals at Expac and the service provider which may be in the form of side deals, direct cash payments, facilitation payments, excessive hospitality and excessive favours for the service provider to be given business.
Competitors	Competitors may look to engage in unethical behaviour with Expac in terms of collusion for fixing pricing in the market or at specific customers/accounts or try to engage individuals employed Expac to commit sabotage.
Legislation	UK Bribery Act – Bribery Act 2010 Money Laundering Regulations 2019 Proceeds of Crime Act 2002