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<b>Document Title</b>	Anti-Bribery Policy
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<b>Prepared by</b>	Group Human Resources
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### **Purpose**

To set out the ethical business relationships / conduct to be maintained while working for / representing W Lucy & Co Limited and its subsidiaries ("Group").

### **Scope**

This policy applies to all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, home-workers, casual workers and agency staff, volunteers, interns, (collectively referred to as "employees" in this policy) or agents, sponsors, or any other person associated with the Group, or any of our subsidiaries or their employees ("associated persons"), wherever located.

Every employee acting for, or on behalf of, the Group is responsible for maintaining the highest standards of business.

This policy does not form part of any employee's contract of employment and it may be amended at any time. Any breach of this policy will be taken seriously and may result in disciplinary action.

### **Policy**

#### **1. Introduction**

The Group is committed to the highest standards of ethical conduct and integrity in its business activities in the UK and overseas. This policy outlines the Group's position on preventing and prohibiting bribery, in accordance with the Bribery Act 2010. The Group will not tolerate any form of bribery by, or of, its employees or any person or body acting on its behalf. Senior management is committed to implementing effective measures to prevent, monitor and eliminate bribery and corruption.

#### **2. Bribery Act 2010**

2.1 The Group is committed to complying with the Bribery Act 2010 in its business activities in the UK and overseas.

2.2 Under the Bribery Act 2010, a **bribe** is a financial or other type of advantage that is offered or requested with the:

- intention of inducing or rewarding improper performance of a function or activity; or
- knowledge or belief that accepting such a reward would constitute the improper performance of such a function or activity. A relevant function or activity includes public, state or business activities or any activity performed in the course of a person's employment, or on behalf of



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another company or individual, where the person performing that activity is expected to perform it in good faith, impartially, or in accordance with a position of trust.

2.3 **Corruption** is the abuse of entrusted power or position for private gain.

2.4 A criminal offence will be committed under the Bribery Act 2010 if:

- An employee or associated person acting for, or on behalf of, the Group offers, promises, gives, requests, receives or agrees to receive bribes; or
- an employee or associated person acting for, or on behalf of, the Group offers, promises or gives a bribe to a foreign public official with the intention of influencing that official in the performance of his/her duties (where local law does not permit or require such influence); and
- the Group has failed to take adequate procedures in place to prevent bribery by its employees or associated persons.

2.5 Individuals found guilty of an offence can be punished by up to ten years' imprisonment and/or a fine. As an employer if we fail to prevent bribery we can face an unlimited fine, exclusion from tendering for public contracts, and damage to our reputation. We therefore take our legal responsibilities very seriously.

2.6 All employees and associated persons are required to comply with this policy, in accordance with the Bribery Act 2010.

2.7 The Group prohibits employees and associated persons from offering, promising, giving, soliciting or accepting any bribe. The bribe might be cash, a gift or other inducement to, or from, any person or company, whether a public or government official, official of a state-controlled industry, political party or a private person or company, regardless of whether the employee is situated in the UK or overseas. The bribe might be made to ensure that a person or company improperly performs duties or functions (for example, by not acting impartially or in good faith or in accordance with their position of trust) to gain any commercial, contractual or regulatory advantage for the Group in either obtaining or maintaining Group business, or to gain any personal advantage, financial or otherwise, for the individual or anyone connected with the individual.

2.8 This prohibition also applies to indirect contributions, payments or gifts made in any manner as an inducement or reward for improper performance, for example through consultants, contractors or sub-contractors, agents or sub-agents, sponsors or sub-sponsors, joint-venture partners, advisors, customers, suppliers or other third parties.

2.9 The Group prohibits employees and associated persons from engaging in corruption or corrupt practices or in any way participating in an abuse of power for private gain.

### 3. **Records**

3.1 Employees and associated persons are required to take particular care to ensure that records are accurately maintained in relation to any contracts or business activities, including financial invoices and all payment transactions with clients, suppliers and public officials.

3.2 Due diligence should be undertaken by employees and associated persons prior to entering into any contract, arrangement or relationship with a potential supplier of services, agent, consultant or representative in accordance with the Group's procurement procedures.

3.3 You must declare and keep a written record of all hospitality or gifts given or received, and submit any related expenses claim in accordance with our expenses policy. These records are subject to managerial review.



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### 4. International Business

- 4.1 Employees conducting business on behalf of the Group outside the UK may be at greater risk of being exposed to bribery or unethical business conduct than UK-based employees. Employees owe a duty to the Group to be extra vigilant when conducting international business.
- 4.2 Employees are required to cooperate with the Group's risk management procedures and to report suspicions of bribery to the Compliance Officer. While any suspicious circumstances should be reported, employees are required particularly to report:
- close family, personal or business ties that a prospective agent, representative or joint-venture partner may have with government or corporate officials, directors or employees; or
  - a history of corruption in the country in which the business is being undertaken; or
  - requests for cash payments; or
  - requests for unusual payment arrangements, for example via a third party; or
  - requests for reimbursements of unsubstantiated or unusual expenses; and
  - a lack of standard invoices and proper financial practices.

If an employee is in any doubt as to whether or not a potential act constitutes bribery, the matter should be referred to the Compliance Officer.

### 5. Corporate entertainment, gifts, hospitality and promotional expenditure

- 5.1 The Serious Fraud Office has stated its intention is to prosecute offenders who disguise bribes as business expenditure, including hospitality and the like. It is the Group's policy to participate in corporate hospitality and entertainment where this will promote good relationships with our business partners. In addition, working meals with business partners are appropriate, as long as they are reasonable/modest/in line with expenses policies. However, hospitality, gifts, gratuities, or anything of value, beyond levels authorised by management, shall not be accepted from or given to any person by employees or their family members where that person has business dealings with the Group. The Group permits gifts and promotional expenditure provided that it:
- is not offered, promised or accepted to secure an advantage for the Group or any of its employees, or to reward the provision or retention of an advantage for the Group or to influence the impartiality of the recipient;
  - complies with local law;
  - does not include cash or cash equivalent (such as gift certificates or vouchers);
  - is on a scale which is proportionate to the legitimate business value of the relationship;
  - is appropriate in the circumstances. For example, in the UK it is customary for small gifts to be given at Christmas time;
  - it is given openly, not secretly;
  - does not infringe the expenses policy;
  - does not bring the business into disrepute or contravene the terms or the spirit of the Group's Global People Management Policy



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5.2 The Group appreciates that the practice of giving gifts varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether in all the circumstances the gift or hospitality is reasonable and justifiable. The intention behind the gift should always be considered

5.3 If any unauthorised gift is offered to an employee then it should be declined politely explaining that the Group's policy does not permit them to accept it, unless to do so would be embarrassing or insulting (for example because the gift is offered in public) in which case the employee should accept the gift and then refer the situation to their manager. The Group is likely to write to the donor of the gift explaining the Group's policy and returning the item.

### 5.4 What to do when you receive a gift or an offer of hospitality

- Use the spreadsheet provided by the Compliance Officer to record it, even if you do not propose to accept it.
- You should record the business benefit; for example will it further your relationship with the client/supplier/contact or provide new contacts/ business prospects?
- You should use your judgement in accepting offers that are appropriate and if necessary secure appropriate authorisation first

### 5.5 When is a gift or hospitality 'appropriate'?

It is appropriate if:

- it is given or received in a way that is **transparent**. You achieve transparency by **reporting** it on the spreadsheet and having approval if required (see above)
- It is **proportionate** to the relationship you have with the giver or recipient. In deciding whether something is proportionate, consider the following: is it of high value or 'lavish'? Is it offered at a time when you are involved in making business decisions affecting the giver of a gift/host at a hospitality event? Is the offer one of a number arising from the same supplier/transaction? Such factors are an indicator that the gift or hospitality event is disproportionate and should be declined.
- It gives you the opportunity to further the business relationship with the giver/recipient
- It does not give you a sense of obligation to do something differently or improperly, and if you are the giver of the gift or hospitality, you must not expect anything to be done improperly in return

## 6. Facilitation payments

6.1 The Group will not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official. They are not commonly paid in the UK, but are common in some other jurisdictions in which the Group operates.

6.2 An employee or associated person who is asked to make a payment on behalf of the Group should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. They should always ask for a receipt which details the reason for the payment. If the employee or associated person has any suspicions, concerns or queries regarding a payment, they should raise these with the Compliance Officer.

6.3 Kickbacks are typically payments made in return for a business favour or advantage. All employees and associated persons must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us.



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### **7. Donations**

- 7.1 We do not make contributions to political parties
- 7.2 We occasionally make charitable donations that are legal and ethical under local laws and practices

### **8. Risk management**

- 8.1 The Group will conduct risk assessments for each of its key business activities on a regular basis and, where relevant, will identify employees or associated persons of the Group who are in positions where they may be exposed to bribery.
- 8.2 The Group will identify high-risk areas, for example projects undertaken in high-risk countries, tenders for work and those working on high-value projects. Employees are required to complete a bribery risk assessment form in conjunction with the HR department when commencing a new project.
- 8.3 The Group will:
  - regularly monitor "at risk" employees and associated persons;
  - undertake appropriate due diligence of third parties and associated persons; and
  - communicate its zero-tolerance approach to bribery to third parties, including actual and prospective customers, suppliers and joint-venture partners.

### **9. Review of procedures and training**

- 9.1 The Group will regularly communicate its anti-bribery measures to employees and associated persons. The Group will set up training sessions where applicable.
- 9.2 The Compliance Officer will monitor and review the implementation of this policy and related procedures on a regular basis.
- 9.3 Employees and those working for, or on behalf of, the Group are encouraged to contact the Compliance Officer with any suggestions, comments or feedback that they may have on how this policy may be improved.

### **10. How to report concerns**

- 10.1 You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with your line manager. Concerns should be reported by following the procedure set out in the Group's Whistleblowing Policy, a copy of which can be found on the employee community home page on BreatheHR.
- 10.2 It is important that you tell the Compliance Officer as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.
- 10.3 Employees who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. The Group aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.
- 10.4 The Group is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the



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future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Compliance Officer immediately. If the matter is not remedied, and you are an employee, you should raise it formally using the Group's Grievance Procedure, which can be found on the employee community home page on BreatheHR.

### 11. Who is responsible for the policy?

- 11.1 The board of directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.
- 11.2 The compliance manager has primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries about it, and auditing internal control systems and procedures to ensure they are effective in countering bribery and corruption.
- 11.3 Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it.
- 11.4 You are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Compliance Officer.

### 12. Change History

Date	Issue	Change
December 2012	1	Addition – Clause 5. Corporate entertainment, gifts, hospitality and promotional expenditure
December 2012	2	Addition – Clause 9. How to report concerns
	3	Addition – Clause 11. Policy owners Addition – Clause 5.4. Additional guidance on Gifts and Hospitality Addition – Clause 7. Donations Additions – Clauses 2.3, 2.5, 2.9, 3.3 – various