



R A L P H T . K I N G & A S S O C I A T E S

## **RALPH T KING & ASSOCIATES**

### **BRIBERY POLICY**

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## **Bribery Policy**

### **1.0 Purpose**

The purpose of this policy is to provide clarification for the Company on the Bribery Act 2010. This document aims to give clear guidance to all employees and parties who may do business with our Company as to the policies, processes and procedures that are in place within our Company in order to comply with the provision of with the Bribery Act 2010.

### **2.0 Scope**

The scope of this policy covers any business that our Company does or may do in any jurisdiction. The Act, which will be tested by case law, is very clear on the aspects which are applicable to our Company.

The scope of the Act refers to

- Payment of bribes or inducements.
- Receiving of bribes or inducements.
- Bribing a foreign public official.
- Failure by a company to prevent bribery.

Penalties for breach of the Bribery Act 2010 are

- Individuals convicted of paying or receiving bribes face up to 10 years imprisonment.
- Companies convicted of failing to prevent bribery by associated persons face unlimited fines.
- Directors and Senior Officers of companies involved can face criminal and civil liabilities.

In terms of the Act, - not knowing or not sanctioning is not a defensible statement. Robust policies and procedure must be in place to prevent bribery.

### **3.0 Prevention of bribery**

#### **3.1 Payments**

To prevent bribery, you must always be able to demonstrate evidence of the following when engaging with 3<sup>rd</sup> parties.

- There must be a valid business case for the appointment of a 3<sup>rd</sup> party to work on the behalf of the Company. There must be evidence of the application of the procurement policy – see “I want to buy something” in the selection of the 3<sup>rd</sup> party.
- 3<sup>rd</sup> parties shall be generically risk assessed for compliance with the Bribery Act 2010 in addition to other risk assessments.
- The Company Terms and Conditions or Contract shall state that bribery will not be tolerated and the subsequent rights of termination of contract.

- All payments to 3<sup>rd</sup> parties shall be appropriate and in line with the service or deliverable and shall be approved by a senior manager.
- Payments to 3<sup>rd</sup> parties will be made direct to those 3<sup>rd</sup> parties, or in the case of a factoring arrangement, with the factoring company. Payments will not be made to other companies or individuals on behalf of the 3<sup>rd</sup> party.
- Commission payments will be in line with published commission plans and will be approved by a senior manager.

### **3.2 Receipt of Hospitality, Gifts or Payments**

A gift or other favour generally means any advantage that an employee would receive by virtue of the performance of his assignment, with the exception of the advantages offered to him by his employer. In terms of the Bribery Act, a gift can also refer to influencing or creating an advantage, for example, with a supplier, customer or partner with whom the company does business.

an allowable gift is defined as

- Genuine – offered as a mark of friendship.
- Independent – does not affect judgement.
- Free – no obligations owed to the donor or anyone connected with him/her in return.
- Transparent – can be declared publicly in the newspaper as read by family and friends.

Hospitality, provided it is reasonable and proportionate, is not prohibited by the Act. If the above conditions are not met, it may be in breach of the Bribery Act and must be avoided.

It is not appropriate to accept any hospitality or gifts during a period of negotiation, bid review or tendering process.

Consideration should be given to the possibility of misinterpretation of gifts or hospitality given by or to the Company during a period of negotiation, bid review or tendering process with a customer or third party or its employees. If there is concern, advice must be taken from Compliance.

### **3.3 Cash Gifts or Payments**

Cash or payment may be interpreted as bribery under the Bribery Act 2010. Receipt of cash or payment as a gift is strictly prohibited.

### **3.4 Gifts**

All gifts must be registered in the Hospitality register, which is maintained by Compliance.

Where a supplier sends a gift, such as wine at Christmas, or a “goody bag” at a function, and can be proven to give the same to each of his clients or customers and the gift is for a reasonable amount, this is acceptable gift.

Where the value is not significant, such as theatre tickets or football tickets, the gift may be accepted where there is clear evidence of corporate hospitality and the client manager / company contact attends along with other partners/customers of the giver of hospitality who have a similar relationship to that of our Company.

Where the gift is significant or does not comply with the above, advice must be taken from Compliance who will advise on behalf of the company, prior to acceptance of any gift. Advice given will be based on all of the available facts and in relation to the UK Bribery Act 2010. This advice will be confirmed in writing and shall be followed.

### **3.5 Giving of Gifts**

Gifts and Donations may be given where

- These promotions improve the image of the Company
- Present our products and services.
- Establish cordial relations with customers.

These gifts and donations must be in accordance with Company policies –

- Ralph T King & Associates Group Policy – Conflict of Interest
- Group Policy – Code of Ethical Procurement
- Supplier Management Policy

In all cases, donation or giving of gifts must not influence an individual or a 3<sup>rd</sup> party in business with the Company.

### **3.6 Receiving Hospitality**

Events, such as Director forums, where each of the Directors is treated equally and there is no demonstrable or perceptible advantage, either given or offered, is defined as acceptable hospitality and should be entered in the hospitality register. Approval should always be sought from your line manager prior to acceptance of any hospitality.

An event, where a spouse or other family member is also invited is always classed as a gift and Compliance must be informed, so as to define if the invitation does not infringe with the provisions of the UK Bribery Act 2010. It is unlikely that approval will be given for acceptance of such hospitality or gifts.

Events, invitation to major sporting events, or entertainment, where there is no defined business purpose and there is demonstrable evidence of the fact that other customers or suppliers are in receipt of the same hospitality, it may be allowable if this expenditure is not excessive and the event cannot be deemed to be influencing of business. Before acceptance of any such invite, the employee must seek approval from Compliance and if approved, an entry must be made in the hospitality register.

### **3.7 During meetings hosted by others**

It is acceptable to have light refreshments or light meal at events where business is in progress and where the refreshment or light meal is not of excessive cost and is similar to that which would be given to another party with a similar relationship to the host as the Company. Examples are workshops, day long meetings and partner training sessions.

### **3.8 Hospitality – on behalf of the company**

Where hospitality event are arranged by the Company for customers, or other third parties, it must be demonstrable that either

- The event sets out to improve the image of the Company.

- Establish cordial relations
- Present our products and services
- The event shows no favouritism nor can be seen to influence unduly a customer or other third party.
- There must be more than one customer at this event and it must be demonstrable that each third party or customer is treated in the same manner as other customers at the event.
- Consideration should be given to the possibility of misinterpretation of gifts or hospitality given by the Company during a period of negotiation, bid review or tendering process with a customer or third party

If there is concern, advice must be taken from Compliance.

Customer reference visits may be defined as not infringing the provisions of the Bribery Act 2010 so long as the expenditure is in line with policy and has been pre-authorised. No family members of either the Company or the Customer may travel if this is not clearly part of their normal role.

### **3.9 During Meetings hosted by the Company**

It is acceptable to have light refreshments or light meals at events where business is in progress and where the refreshment or light meal is not of excessive cost and is similar to that which would be given to another party with a similar relationship to the host as the guest. Examples are workshops, day long meetings and partner training sessions. The meeting host should always seek to clarify that the provision of light meals will not cause the third party issue with their Anti Bribery policies.

### **3.10 Hospitality – Business Expenditure**

All business expenditure shall be in line with the following Company policies

- “I want to buy something” purchasing and procurement policies.
- Expenses Policy
- Conflict of Interest Policy