

## **BRIBERY AND ANTI-CORRUPTION POLICY**

### **1. Purpose**

The purpose of this Policy is to outline our responsibilities and the responsibilities of all individuals working for us in observing and upholding Inverness Harbour Trust's zero tolerance policy in respect of bribery and corrupt business practices. It seeks to provide information and guidance on how to recognise and report bribery and corruption issues and in addition, sets out our position on gifts and corporate hospitality.

### **2. Who is covered by the policy?**

This policy applies to all individuals, working at all levels and grades, including senior managers, officers, non-executive board members, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, casual workers and agency staff, placement students, agents, sponsors, or any other person (including incorporated and unincorporated bodies) associated with us, or that performs services for us, or any of our subsidiaries or their employees, wherever located (collectively referred to as **workers** in this policy).

### **3. Policy**

- 3.1 We conduct all of our business in an honest and ethical manner. We therefore take a zero-tolerance approach to bribery and corruption and are committed to acting professionally and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery.
- 3.2 We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. We acknowledge that we remain bound by the laws of the UK, including the Bribery Act 2010, in respect of our conduct both at home and abroad.
- 3.3 Bribery and corruption are punishable for individuals by up to ten years' imprisonment and if Inverness Harbour Trust is found to have taken part in corruption we could face an unlimited fine and damage to our reputation. We therefore take our legal responsibilities very seriously and expect our workers to do the same. Any failure to adhere to the terms of this Policy by employees may therefore lead to disciplinary action, up to and including summary dismissal, or for all other workers, termination of our ongoing contractual relationship with them.
- 3.4 Having conducted a risk assessment, we consider that the risk of bribery currently faced by us is low. We have identified that to the extent that such risk does exist, it does so as a result of individuals not complying with the reporting systems. In order to counter the risk of bribery, we will rigorously enforce this Policy and

monitor compliance. All workers will receive comprehensive training on this Policy. We will regularly review the risk of bribery and take such action as may be necessary to reduce and remove such risk.

- 3.5 Our zero-tolerance approach to bribery and corruption will be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter. We have identified that the risk faced by us in relation to our association with such parties is low, but where appropriate we will carry out proportionate “due diligence” when considering such business relationships.
- 3.6 In this policy, **third party** means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.
- 3.7 This policy, with the exception of paragraph 7, does not form part of any employee's contract of employment and it may be amended at any time.

#### **4. What is bribery?**

- 4.1 A bribe is defined as being “an inducement, advantage or reward (whether financial or otherwise) offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage”.
- 4.2 By way of illustration, the following scenarios would constitute an act of bribery:
- (a) You offer a potential client tickets to a major sporting event, but only if they agree to offer us a contract;
  - (b) A supplier offers your son/daughter work experience in their office on the condition that you use your influence in our organisation to ensure that we continue to do business with them;
  - (c) You arrange for an additional payment to be made to a foreign official to speed up an administrative process, for instance obtaining work permits or visas.
- 4.3 It is not acceptable for you (or someone on your behalf) to:
- (a) give, promise to give, or offer, a payment, gift or hospitality in anticipation of a business advantage being received, or to reward a business advantage already given;
  - (b) give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to “facilitate” or expedite a routine procedure;
  - (c) accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;

- (d) accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
- (e) threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- (f) engage in any activity that might lead to a breach of this policy.

## **5. Gifts and Hospitality**

5.1 This policy does not prohibit normal and appropriate hospitality (given or received) to or from third parties provided that such hospitality is reasonable and not excessive.

5.2 The giving or receipt of gifts or hospitality is not prohibited, provided the following requirements are met:

- (a) it is given or provided with the sole intention of promoting a favourable image of the business and is not made with the intention of influencing the recipient party to do business with the party providing the gift or hospitality or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
- (b) it complies with UK law;
- (c) it is given in our name, not in your name;
- (d) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- (e) it is appropriate reasonable and proportionate in the circumstances. Excessive gifts and hospitality is strictly prohibited. This means that taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time. For instance, accepting a hamper from a supplier at Christmas time will likely be appropriate but accepting a new car would not;
- (f) it is given openly, not secretly; and
- (g) gifts should, under no circumstances, be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the Chief Executive.

5.3 We appreciate that the practice of giving business gifts and corporate hospitality 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 it should always be considered. If you have any reason to believe that the purpose of the gift or hospitality is to induce you to secure a business advantage for the party providing the gift or hospitality you must refuse to accept it and immediately report the offer of it to the Chief Executive.

## **6. Facilitation Payments and Kickbacks**

- 6.1 Facilitation payments are typically small, unofficial payments made to a Government official to secure or expedite a routine bureaucratic action. They are not commonly paid in the UK, but may be common in some other jurisdictions.
- 6.2 Kickbacks are typically payments made in return for a business favour or advantage. For instance, if you take action to ensure that we continue to do business with a particular supplier and that supplier pays you 1% of the value of the supply contract for doing so.
- 6.3 We recognise that the practice of facilitation payments and "kickbacks" perpetuates corruption and as such has a corrosive effect on business and society as a whole. Such payments are unlawful under UK law. We therefore do not make, and will not accept, facilitation payments or "kickbacks" of any kind.
- 6.4 All workers must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us. If you are asked to make a payment on our behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should report these to the Chief Executive who will advise as to whether the payment should ultimately be made.

## **7. Donations**

We only make charitable donations that are ethical and legal under UK laws and practices. No donation must be offered or made on our behalf without the prior approval of the Chief Executive.

## **8. Your Responsibilities**

- 8.1 You must ensure that you read, understand and comply with this policy. If you have any queries on any aspect of this policy, these should be raised with the Chief Executive.
- 8.2 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or under our control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 8.3 You must notify the Chief Executive immediately if you believe or suspect that this policy has been breached, or may be breached in the future. For example, if a client or potential client offers you something to gain a business advantage with

us, or indicates to you that a gift or payment is required to secure their business. Further "red flags" that may indicate bribery or corruption, the occurrence of which must be reported to the Chief Executive, are set out in the Schedule to this Policy.

- 8.4 Workers 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 Chief Executive.

## **9. Record-Keeping**

- 9.1 We are required to keep financial records which evidence the business reason for making payments to third parties. You must therefore declare and keep a written record of all hospitality or gifts accepted or offered. Such record will remain our property and will be subject to managerial review on reasonable notice. You must also ensure that all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.

- 9.2 All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

## **10. How to raise a concern**

- 10.1 All workers are encouraged to raise concerns about any issue or suspicion of any wrongdoing or intended wrongdoing at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, you should seek advice from your Line Manager or the Chief Executive. Concerns should be reported by following the procedure set out in our Whistleblowing Policy. A copy of our Whistleblowing Policy is detailed in the staff handbook.

- 10.2 We recognise that workers who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, may be worried about possible repercussions. We therefore wish to reassure all workers that we will fully support anyone who raises genuine concerns in good faith, even if such concerns are later found to be mistaken.

- 10.3 It is our aim to foster a culture of openness and honesty and as such we are committed to ensuring that no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because they have, in good faith, reported their suspicions that actual or potential bribery has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or any other unfavourable treatment connected with the refusal or report. If you believe that you have suffered any such treatment, you should inform the Chief Executive immediately. If the matter is not remedied,

and you are an employee, you should raise it formally using our Grievance Procedure, which can be obtained on request from the Chief Executive.

## **11. Our Responsibilities**

- 11.1 We have overall responsibility for ensuring that this policy complies with our legal and ethical obligations, and that all those under our control comply with it.
- 11.2 The Chief Executive has the primary and day-to-day responsibility for implementing this policy. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.
- 11.3 The Chief Executive will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible and notified to you. Our internal procedures will also be subject to regular audits to ensure that they continue to be effective in countering bribery and corruption.

### **Schedule - Potential risk scenarios: "red flags"**

If you encounter any of these "red flags" while working for us, you must report them promptly to the Chief Executive, as per our whistleblowing policy;

- a. you become aware or have reasonable grounds to suspect that a third party engages in, or has been accused of engaging in, improper business practices;
- b. you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials;
- c. a third party insists on receiving a commission or fee before committing to sign up to a contract with us, or carrying out a government function or process for us;
- d. a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- e. a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- f. a third party requests an unexpected additional fee or commission to "facilitate" a service;
- g. a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- h. a third party requests that a payment is made to "overlook" potential legal violations;
- i. a third party offers to provide employment to one of your friends or relatives on the condition that you ensure that we begin to or continue to do business with them;
- j. you receive an invoice from a third party that appears to be non-standard or customised;
- k. a third party insists on the use of side letters or refuses to put terms agreed in writing;
- l. you notice that we have been invoiced for a commission or fee payment that appears excessive with regard to the service stated to have been provided;
- m. a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us;
- n. you are offered an unusually generous gift or offered lavish hospitality by a third party.

The list is not intended to be exhaustive and is for illustrative purposes only.