



<b>Document Title</b>	Anti Corruption, Money Laundering and Anti-Bribery Policy
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<b>Prepared by</b>	Group Human Resources
<b>Approved by</b>	Executive Director and Company Secretary, Lucy Group Ltd
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### **Purpose**

To set out the ethical business relationships / conduct to be maintained while working for / representing Lucy Group Ltd 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. Policy Statement**

- 1.1 It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery, money laundering and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery, money laundering and corruption.
- 1.2 We will uphold all laws relevant to countering bribery, money laundering and corruption in all the jurisdictions in which we operate. However, we remain bound by UK laws, including the Bribery Act 2010, in respect of our conduct both at home and abroad.

#### **2. About This Policy**

2.1 The purpose of this policy is to:

(a) set out our responsibilities, and of those working for us, in observing and upholding our position on bribery, money laundering and corruption; and

(b) provide information and guidance to those working for us, in observing and upholding our position on bribery, money laundering and corruption issues.



- 2.2 It is a criminal offence to offer, promise, give, request, or accept a bribe. Individuals found guilty 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.
- 2.3 It is also a criminal offence under the Criminal Finances Act 2017 to fail to prevent the facilitation of domestic UK or foreign tax evasion. As an employer if we fail to prevent our employees, workers, agents or service providers facilitating tax evasion, we can face criminal sanctions including an unlimited fine, as well as exclusion from tendering for public contracts.
- 2.4 We have identified that the international nature of the Lucy Group's business present a particular risk for our business. To address those risks we have written this policy and set up a whistle blowing helpline which will be managed by the Company Secretary.
- 2.5 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.
- 2.6 This policy does not form part of any employee's contract of employment and we may amend it at any time.

### **3. Who must comply with this policy?**

This policy applies to all persons working for us any company in the Lucy Group of companies or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located.

### **4 Who is responsible for the policy?**

- 4.1 The Board of Directors of Lucy Group Limited has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.
- 4.2 The Executive Director and Company Secretary has primary responsibility for the management of this policy. With the advice and support of the Head of Group Legal and the Head of Internal Audit, the Executive Director and Company Secretary will monitor its use and effectiveness, deal with any queries about it, and audit internal control systems and procedures to ensure they are effective in countering bribery and corruption.
- 4.3 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.



## 5. What are bribery and corruption?

- 5.1 Bribery is offering, promising, giving or accepting any financial or other advantage, to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage.
- 5.2 An advantage includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value.
- 5.3 A person acts improperly where they act illegally, unethically, or contrary to an expectation of good faith or impartiality, or where they abuse a position of trust. The improper acts may be in relation to any business or professional activities, public functions, acts in the course of employment, or other activities by or on behalf of any organisation of any kind.
- 5.4 Corruption is the abuse of entrusted power or position for private gain.

### **Examples:**

**Offering a bribe:** You offer a potential client tickets to a major sporting event, but only if they agree to do business with us.

This would be an offence as you are making the offer to gain a commercial and contractual advantage. We may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential client to accept your offer.

**Receiving a bribe:** A supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in our organisation to ensure we continue to do business with them.

It is an offence for a supplier to make such an offer. It would be an offence for you to accept the offer as you would be doing so to gain a personal advantage.

**Bribing a foreign official:** You arrange for the business to pay an additional "facilitation" payment to a foreign official to speed up an administrative process, such as clearing our goods through customs. The offence of bribing a foreign public official is committed as soon as the offer is made. This is because it is made to gain a business advantage for us. We may also be found to have committed an offence.

## 6. **What you must not do**

It is not acceptable for you (or someone on your behalf) to:

(a) give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;

(b) give or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;

(c) accept a payment, gift or hospitality from a third party that you know or suspect is offered with the expectation that it we will provide a business advantage for them or anyone else in return;

(d) accept hospitality from a third party that is unduly lavish or extravagant under the circumstances.



(e) offer or accept a gift to or from government officials or representatives, or politicians or political parties, without the prior approval of your manager who should take any required advice from any member of the Group Legal Department;

(f) threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this policy; or

(g) engage in any other activity that might lead to a breach of this policy

## **7. Facilitation payments and kickbacks**

7.1 We do not make, and will not accept, facilitation payments or “kickbacks” of any kind.

7.2 Facilitation payments, also known as “back-handers” or “grease payments”, are typically small, unofficial payments made to secure or expedite a routine or necessary action (for example by a government official). They are not common in the UK, but are common in some other jurisdictions in which we operate.

7.3 Kickbacks are typically payments made in return for a business favour or advantage.

7.4 You must avoid any activity that might lead to a facilitation payment or kickback being made or accepted by us or on our behalf, or that might suggest that such a payment will be made or accepted. 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 raise these with your manager, who may in turn take advice as required from the Head of Legal or the Head of Internal Audit.

## **8. Gifts, Hospitality and Expenses**

8.1 This policy allows reasonable and appropriate hospitality or entertainment given to or received from third parties, for the purposes of:

(a) establishing or maintaining good business relationships;

(b) improving or maintaining our image or reputation; or

(c) marketing or presenting our products and/or services effectively.

8.2 The giving and accepting of gifts is allowed if the following requirements are met:

(a) it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, 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 is given in our name, not in your name;

(c) it does not include cash or a cash equivalent (such as gift certificates or vouchers);

(d) it is appropriate in the circumstances, taking account of the reason for the gift, its timing and value. For example, in the UK it is customary for small gifts to be given at Christmas;



- (e) it is given openly, not secretly; and
- (f) it complies with any applicable local law

- 8.3 Promotional gifts of low value such as branded stationery to or from existing customers, suppliers and business partners will usually be acceptable.
- 8.4 Reimbursing a third party's expenses, or accepting an offer to reimburse our expenses (for example, the costs of attending a business meeting) would not usually amount to bribery. However, a payment in excess of genuine and reasonable business expenses (such as the cost of an extended hotel stay) is not acceptable.
- 8.5 We appreciate that practice 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, hospitality or payment is reasonable and justifiable. The intention behind it should always be considered.

## **9. Donations**

- 9.1 We do not make contributions to political parties.
- 9.2 We only make charitable donations that are legal and ethical under local laws and practices.

## **10 Money Laundering**

- 10.1 Money laundering is the process by which criminally obtained money or other assets (criminal property) are exchanged for 'clean' money or other assets with no obvious link to their criminal origins. Lucy Group is not required to implement any special arrangements for money laundering but has chosen to implement the guidance below.
- 10.2 Criminal property may take any form, including money or money's worth, securities, tangible property and intangible property. It also covers money, however come by, which is used to fund terrorism.
- 10.3 Money laundering activity includes:
  - Acquiring, using or possessing criminal property
  - Handling the proceeds of crimes such as theft, fraud and tax evasion
  - Being knowingly involved in any way with criminal or terrorist property
  - Entering into arrangements to facilitate laundering criminal or terrorist property
  - Investing the proceeds of crimes in other financial products
  - Investing the proceeds of crimes through the acquisition of property/assets
  - Transferring criminal property
- 10.4 Lucy Group has:
  - Implemented a requirement to identify the third parties we work with, or 'know your customer'
  - Implemented a policy to enable the reporting of suspicions of money laundering



#### 10.5 'Know your Customer'

It is important that controls are in place to undertake third party due diligence i.e. steps to identify the other party dealing with Lucy. Satisfactory evidence of identity must be obtained. Examples include:

- Look for letter-headed documents
- Check web-sites
- Request credit checks
- meet key contact as appropriate to verify validity of contact.

### 11 Record Keeping

- 11.1 We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 11.2 You must declare and keep a written record of all hospitality or gifts given or received, which will be subject to managerial review.
- 11.3 You must submit all expenses claims relating to hospitality, gifts or payments to third parties in accordance with our expenses policy and record the reason for expenditure.
- 11.4 All accounts, invoices, and other records relating to dealings with third parties including suppliers and customers should be prepared with strict accuracy and completeness. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

### 12 Your Responsibilities

- 12.1 You must ensure that you read, understand and comply with this policy.
- 12.2 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. You are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 12.3 You must notify your manager as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur 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.

### 13 How to raise a concern

- 13.1 You are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage.
- 13.2 If you are offered a bribe, or are asked to make one, or if you believe or suspect that any bribery, corruption or other breach of this policy has occurred or may occur, you must notify your manager or other senior manager in your business as soon as possible.
- 13.3 If you are unsure about whether a particular act constitutes bribery or corruption, raise it with the Head of Group Legal or Head of Internal Audit.



## **14 Protection**

- 14.1 Individuals who refuse to accept or offer a bribe, or who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim 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.
- 14.2 We are 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 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 either your local HR manager or the UK or Regional Head of HR Operations (as applicable) immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure.

## **15 Training and Communication**

- 15.1 Training on this policy forms part of the induction process for all individuals who work for us, and regular training will be provided as necessary.
- 15.2 Our zero-tolerance approach to bribery, money laundering and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

## **16 Breaches of this Policy**

- 16.1 Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.
- 16.2 We may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

## **17 Potential Risk Scenarios: "Red Flags"**

- 17.1 The following is a list of possible red flags that may arise during the course of you working for us and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.
- 17.2 If you encounter any of these red flags while working for us, you must report them promptly to your manager or via the Whistle Blowing helpline, details of which are set out in the Whistle-Blowing Policy:
- (a) you become aware 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 payment 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 requests that you provide employment or some other advantage to a friend or relative;
- (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 large given the service stated to have been provided;