

CONSUMERS INTERNATIONAL ANTI-CORRUPTION AND BRIBERY POLICY

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| Date of policy: | October 2015 |
| Policy approved by: | Council |
| Person responsible for policy: | The Treasurer's Committee has overall responsibility. Policy management responsibility is delegated to the Director General. |

1. POLICY STATEMENT

- 1.1 Consumers International is committed to carrying out all our activities in an honest and ethical manner and we take a zero-tolerance approach to bribery and corruption.
- 1.2 Consumers International will uphold all laws relevant to countering bribery and corruption in every country in which we operate. In particular, as Consumers International is established in the UK, we are bound by the Bribery Act 2010, in respect of our conduct both in the UK and abroad.

2. WHO THIS POLICY APPLIES TO

- 2.1 This policy applies to all persons who are involved with Consumers International at all levels including, employees (whether permanent, fixed-term or temporary), members of Council, Trustees, consultants, contractors, seconded staff, home workers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with us, or any of our subsidiaries or their employees.
- 2.2 Contractors and other persons associated with Consumers International will be required to abide by the requirements set out in this policy as part of the terms of their engagement.

3. PURPOSE OF THIS POLICY

- 3.1 The purpose of this policy is to:
- 3.1.1 set out the responsibilities of Consumers International and of all those who are involved with Consumers International (including staff members, Trustees and members of the Council), in observing and upholding Consumers International's position on bribery and corruption, and
- 3.1.2 provide information and guidance on how to recognise and deal with bribery and corruption.

4. WHAT ARE BRIBERY AND CORRUPTION?

- 4.1 **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. **Corruption** is the abuse of entrusted power or position for private gain.
- 4.2 Under the Bribery Act 2010, 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. If Consumers International, as an organisation, fails to prevent bribery by individuals associated with them, we can face an unlimited fine, be excluded from tendering for public contracts and suffer damage to our reputation.
- 4.3 Some examples of bribery include:
- Offering a bribe – An offer to a third party of tickets to a major sporting event, but only if they agree to do business with Consumers International. This would be an offence, as it is an offer to gain commercial and contractual advantage. Consumers International may also be found to have committed an offence because the offer has been made to obtain business. It may also be an offence for the third party to accept your offer.***
- Receiving a bribe – A third party gives a job to a relative of a Consumers International member of staff, but makes it clear that in return they expect the member of staff to use influence in Consumers International to ensure Consumer International continues to do business with the third party. It is an offence for that third party to make such an offer. It would be an offence for the member of staff to accept the offer, doing so would mean the member of staff would gain personal advantage.***
- 4.4 In this policy references to a “**third party**” means any individual or organisation that you come into contact with during the course of your role for Consumers International, and includes agencies, suppliers, business contacts, advisers, HMRC and other government and public bodies, including their representatives and officials.

5. DUTIES UNDER THIS POLICY

- 5.1 As a person to whom this policy applies, it is not acceptable for you (or someone on your behalf) to:
- 5.1.1 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,
 - 5.1.2 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,
 - 5.1.3 accept payment from a third party offered with the expectation that it will obtain a business advantage for them,

- 5.1.4 accept a gift or hospitality from a third party offered or provided with an expectation that a business advantage will be provided by Consumers International in return,
 - 5.1.5 offer or accept hospitality involving entertainment of a sexual or similarly inappropriate nature,
 - 5.1.6 solicit or try to solicit any gift or hospitality from a third party,
 - 5.1.7 threaten or retaliate against any worker who has refused to commit a bribery or corruption offence or who has raised concerns under this policy, or
 - 5.1.8 engage in any activity that might lead to a breach of this policy.
- 5.2 You also have a duty to prevent, detect and report any form of bribery or corruption and the following is a list of some possible "red flags" which may indicate bribery or corruption:
- 5.2.1 you become aware that a third party engages in, or has been accused of engaging in, improper business practices,
 - 5.2.2 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,
 - 5.2.3 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,
 - 5.2.4 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,
 - 5.2.5 a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business,
 - 5.2.6 a third party requests an unexpected additional fee or commission to "facilitate" a service,
 - 5.2.7 a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services,
 - 5.2.8 a third party requests that a payment is made to "overlook" potential legal violations,
 - 5.2.9 a third party requests that you provide employment or some other advantage to a friend or relative,
 - 5.2.10 you receive an invoice from a third party that appears to be non-standard or customised,
 - 5.2.11 you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided, or

5.2.12 you are offered an unusually generous gift or offered lavish hospitality by a third party.

6. REPORTING

6.1 You should report any suspicion of bribery and corruption to the Director General or the President.

6.2 You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. In the event questions arise over whether a particular act constitutes bribery or corruption, these should be raised with the Director General or the President and the matter will be dealt with in confidence.

6.3 An alternative route to reporting cases of actual or suspected bribery or corruption is through the guidance set out in Consumers International's Whistleblowing Procedure.

6.4 Prompt and vigorous investigations will be carried out into all cases of actual or suspected bribery or corruption discovered or reported.

6.5 You are required to avoid any activity that might lead to, or suggest a breach of this policy and perform your duties relating to Consumers International activities:

6.1.1 in good faith,

6.1.2 with trust, and

6.1.3 impartially.

6.6 A culture of honesty, propriety and vigilance, to include persons at all levels, is fundamental to managing potential issues concerning bribery and corruption. Everybody needs to be alert to the risk of bribery and corruption and report their suspicions.

6.7 All staff members, members of the Council [and Trustees] and other persons to whom this policy applies are expected to have read, understood and complied with this policy at all times.

7. GIFTS

7.1 The giving or accepting of gifts is not prohibited, but only if **all** the following requirements are met:

7.1.1 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,

7.1.2 it is not an unlawful gift under UK law, or applicable local law,

7.1.3 it is given in the name of Consumers International, and not in your name or the name of any other person connected to Consumers International,

- 7.1.4 it does not include cash or cash equivalent (such as gift certificates or vouchers),
 - 7.1.5 it is appropriate in the circumstances (for example, small gifts given at a time of year and in a region where such gifts are commonplace),
 - 7.1.6 taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time, and
 - 7.1.7 it is given openly, not secretly.
- 7.2 Consumers International appreciates that the practice of giving business gifts varies between countries and regions. 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. Anybody who is unclear about the appropriateness of a particular gift should seek clarification from the Director General.
- 7.3 Gifts should never be offered or accepted, without the prior approval of the Director General or the Treasurer's Committee if the value of the gift is above £50.

8. HOSPITALITY

- 8.1 This policy does not prohibit normal and appropriate hospitality (given and received) to or from third parties, provided it falls within reasonable bounds of value and occurrence. This may include hospitality for the purposes of:
- 8.1.1 establishing or maintaining good business relationships,
 - 8.1.2 improving or maintaining the image and reputation of Consumers International, or
 - 8.1.3 marketing or presenting the activities of Consumers International effectively.
- 8.2 Although no two situations are ever the same, it is possible to identify suitable indicators which help Consumers International to evaluate what would be considered acceptable:
- 8.1.1 What is the intent behind the hospitality – is it to build a relationship or is it something else?
 - 8.1.2 How would it look if details of the hospitality were made public? Would the hospitality be embarrassing to Consumers International?
 - 8.1.3 What if the situation were reversed – would there be a double standard?
- 8.3 Entertainment of third parties should only be undertaken within the guidelines set out in Consumers International's expenses policy.

9. RECORD KEEPING

- 9.1 All payments to third parties must be documented in accordance with Consumer International's internal controls and procedures. The reason for the payments must be recorded.
- 9.2 All records relating to hospitality, gifts or expenses incurred to third parties must be recorded and maintained in accordance with our expenses policy. The business reason for the expenditure must be recorded.
- 9.3 Any gifts or hospitality offered to or accepted must be recorded and subject to managerial review.

10. POLICY MANAGEMENT AND PERFORMANCE

- 10.1 It is the Director General's responsibility to ensure the management of this policy including:
 - 10.1.1 Establishing an effective control environment to prevent bribery and corruption.
 - 10.1.2 Liasing with the Treasurer's Committee.
 - 10.1.3 Ensuring that all members of staff and others covered by this policy are aware of Consumers International's anti-corruption and bribery policy and know what their responsibilities are in relation to combating bribery and corruption issues.
 - 10.1.4 Ensuring that vigorous and prompt investigations are undertaken where actual or suspected bribery or corruption has occurred.
 - 10.1.5 Taking appropriate disciplinary and/or legal action against members of staff involved in bribery or corruption cases.
 - 10.1.6 Taking appropriate disciplinary action against managers where supervisory failures have contributed to the commission of bribery or corruption.
 - 10.1.7 Ensuring that appropriate action is taken to minimise the risk of similar cases occurring in the future.
 - 10.1.8 Embedding where relevant Consumers International's zero-tolerance approach to bribery and corruption to all operatives, agencies, suppliers, contractors and business partners.
 - 10.1.9 Developing skill and experience competency frameworks, ensuring that appropriate anti-corruption and bribery training and development opportunities are available to appropriate staff.
 - 10.1.10 Reviewing the implementation of this policy and considering its suitability and effectiveness, including by the use of internal controls, management checks and audits.
 - 10.1.11 Implementing any possible improvements identified as soon as possible.
 - 10.1.12 Ensuring that decisions made regarding new or changed projects take into account the opportunities, and likelihood, of bribery and corruption.

10.1.13 Identifying activities within Consumers International which may pose a particular risk of bribery or corruption occurring and developing measures to specifically deal with these.

10.2 All members of staff have a role in limiting the scope for bribery and corruption by adhering strictly to procedures for all financial matters including the handling of payments, receipts and tendering for procurement of all goods and services and for dealing with other claims.

11. TRAINING AND COMMUNICATION

11.1 Training on this policy forms part of the induction process for all new members of staff and members of Council and Trustees. All existing members of staff will receive regular, relevant training on how to implement and adhere to this policy.

11.2 Consumer International's zero-tolerance approach to bribery 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.

11.3 This policy will be published on our website.

12. PROTECTION

12.1 Openness will always be encouraged and Consumers International will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. We are also committed to ensuring no one suffers any detrimental treatment or repercussions as a result of refusing to take part in bribery or corruption, or reporting in good faith their suspicion that an actual or potential bribery has taken place, or may take place in the future. To this end all members of staff should consider the alternative route to reporting cases of actual or suspected bribery or corruption through the guidance set out in Consumers International's Whistleblowing Policy.