

Anti-bribery policy

Summary

At UPP we are committed to doing the right thing and to promote and maintain the highest level of integrity/ethical standards in the way we operate. We have a reputation for complying with all laws applicable to our business activities. This policy is designed to preserve these values and to limit our exposure to bribery and corrupt practices by:

- setting out our stance on bribery and corruption;
- helping us to recognise and avoid the use of bribery for ourselves and others;
- encouraging us to be to be vigilant and to report any suspicion of bribery, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately;
- taking firm and vigorous action against any individual(s) involved in bribery

Section A: Gifts

It is our policy to conduct all of our business in an honest and ethical manner.

We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate. We are committed to implementing and enforcing effective systems to counter bribery and corruption.

We will uphold all laws relevant to countering bribery and corruption. However, we remain bound by UK law, including the Bribery Act 2010, in respect of our conduct both at home and abroad.

The purpose of this policy is to:

- set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption; and
- provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues

Section B: Policy details

a) Introduction

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.

We have identified that the following are particular risks for our business:

- Fee-for-service payments
- Charitable donations and community support activities
- Travel and entertainment expenses
- Use of consultants
- Employment of agents
- Gifts or other items of value provided
- Procurement including sinking fund and construction; and
- Letting of construction contracts

To address those risks we have a Gifts Register in accordance with the Anti-Bribery Policy and provide adequate training where necessary.

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 university partners, supplier chain partners, distributors, business contacts, agents, advisers, and government and public bodies, including: advisors, representatives and officials, politicians and political parties.

b) What are bribery and corruption?

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.

An **advantage** includes money, gifts, loans, fees, hospitality, services, discounts, and the award of a contract or anything else of value.

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.

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

Examples:

Offering a bribe

You offer a potential university partner 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 university partner to accept your offer.

Receiving a bribe

A supply chain partner 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 supply chain partner 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.

c) What you must not do

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

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

- accept hospitality from a third party that is unduly lavish or extravagant under the circumstances
- offer or accept a gift to or from government officials or representatives, or politicians or political parties without the prior approval of the Compliance Director
- threaten or retaliate against another employee who has refused to commit a bribery offence or who has raised concerns under this policy; or
- engage in any other activity that might lead to a breach of this policy

d) Facilitation payments and kickbacks

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

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.

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

Colleagues 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 the Group Director, Compliance.

e) Gifts, hospitality and expenses

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

- establishing or maintaining good business relationships
- improving or maintaining our image or reputation; or
- marketing or presenting our products and/or services effectively

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

- 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
- it is given in our name, not in your name
- it does not include cash or a cash equivalent (such as gift certificates or vouchers)
- 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; and
- it is given openly, not secretly
- it complies with any applicable local law

Promotional gifts of low value such as branded stationery to or from existing university partners, supply chain partners and business partners will usually be acceptable.

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.

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.

See Procedure on Giving or Receiving Gifts, Entertainment and Hospitality.

f) Donations

We may make contributions to political parties but these will not be made in an attempt to influence any decision or gain a business advantage, and will be publicly disclosed.

We make charitable donations that are legal and ethical under local laws and practices. No donation must be offered or made without the prior approval of the Board.

g) Your responsibilities

You must ensure that you read, understand and comply with this policy.

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 employees are required to avoid any activity that might lead to, or suggest, a breach of this policy.

You must notify your line manager OR the Group Director, Compliance 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 an actual, or potential, university partner 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 are set out in Schedule 1.

Any employee who breaches this policy may face disciplinary action, which could result in dismissal for gross misconduct. We reserve our right to terminate our contractual relationship with other colleagues if they breach this policy.

h) Record-keeping

- We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties
- You must declare and keep a written record of all hospitality or gifts given or received in the Gifts Register. This is available on the intranet
- 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
- All accounts, invoices, and other records relating to dealings with third parties including supply chain partners and university partners should be prepared with strict accuracy and completeness. Accounts must not be kept 'off-book' to facilitate or conceal improper payments

i) How to raise a concern

You are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage.

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 report it to the Group Director, Compliance OR report it in accordance with our Whistleblowing Policy as soon as possible.

If you are unsure about whether a particular act constitutes bribery or corruption, raise it with your line manager or Group Director, Compliance.

j) Protection

Colleagues who refuse to accept or offer a bribe, or those 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.

- 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 the Group Director, Compliance immediately. If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Policy

k) Training and communication

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

Our zero-tolerance approach to bribery and corruption must be communicated to all supply chain partners, and business partners at the outset of our business relationship with them and as appropriate thereafter.

l) Monitoring and review

The Group Director, Compliance 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. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

All employees are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.

Employees 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 Group Director, Compliance.

Section C: Compliance

This policy applies to all UPP employees.

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.

The Compliance Director has primary and day-to-day responsibility for implementing this policy and for monitoring its use and effectiveness and dealing with any queries on its interpretation. 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.

Section D: Further information and queries

Please contact the Compliance Department if you require any further information.

Information	
Revision	April 2016
Purpose of revision to	Format update
Written & proposed by	Group Director, Compliance
Revision date	April 2017

Section E: Further information and links

Document title	Purpose of appendix/link
Anti-bribery	Explains UPP's policy bribery and corruption
Conflicts of interests policy	Details how to disclose, determine actual or perceived conflicts of interest and how to manage such conflicts when they arise.
Disciplinary policy	Details the procedure followed for allegations of misconduct

Schedule 1

Potential risk scenarios: 'red flags'

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.

If you encounter any of these red flags while working for us, you must report them promptly to your line manager **OR** to the Group Director, Compliance Director **OR** using the procedure set out in the whistleblowing policy:

- You become aware that a third party engages in, or has been accused of engaging in, improper business practices
- 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
- 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
- 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;
- A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business
- A third party requests an unexpected additional fee or commission to 'facilitate' a service
- A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services
- A third party requests that a payment is made to 'overlook' potential legal violations
- A third party requests that you provide employment or some other advantage to a friend or relative
- You receive an invoice from a third party that appears to be non-standard or customised
- A third party insists on the use of side letters or refuses to put terms agreed in writing
- You notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided
- 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; or
- You are offered an unusually generous gift or offered lavish hospitality by a third party