

IMC Worldwide LTD.
Anti-Bribery and Corruption Procedures
March 2012



IMC Worldwide LTD. Ethics and Anti - Corruption Policy & Guidelines

March 2012

IMC Worldwide Ltd Ethics and Anti-Corruption Policy Statement

Our Commitment

The IMC Worldwide Ltd (IMC) Board of Directors is fully committed to promoting the highest standards of ethical behaviour throughout our business. We condemn corrupt and fraudulent practices and require transparency, integrity and honesty in all aspects of our work. We will perform all services with integrity and conduct ourselves with the professionalism expected of a firm with our international standing, reputation and experience. Fundamental to this is the adoption of a 'zero tolerance' approach to all forms of corruption and a robust Ethics and Anti-Corruption policy within the firm.

The board requires all staff to act according to our ethical principles set out in this Ethics and Anti-Corruption policy. Our policies and codes of conduct translate our principles into practical guidance, empowering IMC and our staff and our business partners and their employees to realise the firm's aspirations.



Gavin English - Managing Director

Ethics

The principles underpinning our corporate and personal behaviour are set out in the following policy and are reviewed annually. These principles translate into our dealings with customers, suppliers, partners, our employees and the community. Our values also shape our stance on health and safety and the environment.

In many countries where we operate, *bribery* and corruption are common practises which damage public interest and potentially endanger our staff and our business. Our approach to business integrity safeguards our shareholders, employees and assets. We protect the interests of our clients by managing risks and opportunities whilst improving the performance of the business.

As an international consultant we respect the customs and culture of the countries where we work whilst at all times complying with national and international law.

Anti-Bribery and Corruption

We recognise the responsibilities of IMC as a UK-registered firm under the UK Bribery Act 2010, and our responsibilities in accordance with the relevant laws, statutes and codes applicable in the countries in which we operate.

IMC's Ethics and Anti-Corruption policy prohibits bribery and outlines measures implemented by the firm that prevent *bribery* across all areas of the business.

IMC's corporate compliance team is committed to using best practice to define, implement and audit the firm's Ethics and Anti- Corruption policy.

We require all our staff to fully comply with our Ethics and Anti-Corruption policy and IMC will take disciplinary measures against staff who breach this policy, this may ultimately lead to dismissal or contract termination.

Our customers

We always act with integrity and transparently in the interests of our customers, at all times safeguarding their information and applying due care, commitment, skill and diligence in our services. We ensure that all our communications, marketing and publications are factually correct and fair.

Our suppliers and business partners

Positive relationships based on mutual respect, integrity and good governance are vital for our business. We undertake stringent *due diligence* when evaluating potential relationships with suppliers, sub-contractors, and business partners. In this way we assess risk and avoid dealing with partners who do not share our ethical values. We require all our suppliers, sub-contractors, and business partners to fully comply with our Ethics and Anti-Corruption policy.

Employees

IMC seeks to promote fair employment policies whilst working within the framework of local laws and local culture. We believe in a 'neutral' working environment, in which no employee (current or prospective) is at a disadvantage.

We promote on merit without discrimination and under no circumstances do we penalise staff for turning down a business opportunity which they in good faith judge there to be a risk of corruption.

We encourage staff to develop their skills and careers within IMC and promote effective communication between staff. It is important that we respect each other's customs, religious beliefs and traditions. Physical, mental or sexual harassment will not be tolerated in our business.

Adherence to IMC's Ethics and Anti-Corruption policy is a condition of employment. We also ensure that all individuals working for us as independent experts read and sign up to our Code of Ethics.

Community

We seek to be good corporate citizens, to provide local employment and to contribute to the well-being of the communities in which we work. IMC encourages employees to take part in community, civil, professional and charitable activities.

Health & safety

We pursue the highest practicable standards of health and safety and aim to comply with all relevant statutes in order to minimise risks to our employees and others affected by our operations.

Environment

We promote environmental protection and improvement through all our activities and services. We offer sustainable solutions on projects and encourage our customers to adopt best environmental practices.

Gifts and hospitality

IMC employees must avoid situations that could interfere, or appear to interfere, with the impartial discharge of their duties. IMC prohibits the offer or receipt of items, where the act is, or could reasonably be perceived to be, for the purpose of *bribery*. Such items might be gifts, entertainment, hospitality, donations, or travel and all should be scrutinised. IMC strictly reject any items intended or likely to affect the independence of the recipient.

Staff must avoid making *facilitation payments*; if a facilitation payment is made in order to avoid a dangerous or potentially dangerous situation then it must be reported to the Compliance Director immediately. IMC prohibits the payment of donations to political parties or charities to obtain a business advantage.

Whistle blowing

We take our Ethics and Anti-Corruption policy and procedures very seriously and employees are encouraged to raise any concerns they have directly with the Compliance Director or any other business director.

Communication and training

IMC provide appropriate training, education and guidance to all our staff related to our policies and procedures. We incorporate anti-corruption clauses into all our contractual agreements with sub-consultants and independent experts.

We provide Anti-Corruption training seminars that are compulsory for all staff members (both local and international) contracted to any IMC led project.

Ethics and Anti-Corruption Procedures

IMC's corporate compliance team is responsible for defining, implementing and auditing the firm's Anti-Corruption Management System. We have assigned a Compliance Manager to head the team that is working toward the integration the Ethics and Anti-Corruption procedures throughout the firm.

As part of IMC's commitment to international best practice we have sought guidance from *BS10500:2011 'Specification for an anti-bribery management system (ABMS)'* in order to structure our procedures. IMC implements an ABMS comprised of procedures and controls that are reasonable and proportionate to the risks encountered by our firm and the size of our organisation.

IMC has appointed a staff member to manage the internal audit of the firm's Anti-Bribery and Corruption procedures. Audits shall be conducted at regular intervals every 12 months.

In order to fully commit to a robust, relevant and long-standing Anti-Corruption Management System, IMC are adopting a PDCA cycle (Plan-Do-Check-Act) whilst developing the system to ensure continual improvement.

IMC requires all staff to read the following pages and agree to comply with the policies described. We shall provide appropriate training and advice to all personnel who will be responsible for implementing parts of the ABMS as a part of their duties at IMC.

Compliance Declaration

I..... have read IMC's Ethics and Anti-Corruption policy and procedures and understand the importance of the Anti-Corruption Management System in ensuring that IMC protects its employees, shareholders, and assets.

I recognise my responsibilities as an employee of IMC and have a clear understanding of IMC's 'zero tolerance' stance on *bribery* and corruption.

Signed:

Dated:

CONTENTS

- Why does this matter to you?
- Roles and responsibilities
- Good practice
- Bribes and facilitation payments
- Gifts and hospitality
- Working with governments
- Working with third parties
- What to do if you have a query or concern
- Glossary of terms

Why does this matter to you?

Most countries in which we operate have laws that prohibit *corruption*. In addition to this, the UK Bribery Act 2010 has replaced existing bribery laws and now extends beyond borders to prohibit bribery even when it is committed outside of the UK. Under the new act we are now potentially open to prosecution should under the 'failure of commercial organisations to prevent bribery' clause, and must establish a defence that proves we have 'adequate procedures' designed to prohibit and prevent bribery.

IMC has adopted procedures that are designed to prevent *corruption* throughout the business. Anyone who is suspected of giving or receiving bribes, any other act of *corruption*, or otherwise breaching the Ethics and Anti-Corruption procedures, will have their actions thoroughly investigated. Should any allegation of *corruption* be proven, the individual(s) concerned will be subject to disciplinary action which may ultimately lead to dismissal or contract termination. In addition, by breaching the Ethics and Anti-Corruption procedures or any of the applicable laws, individuals could be committing a serious offence which may result in a large fine for IMC and incarceration for you and anyone else involved in the offence.

Compliance is also a key concern to many organisations to whom we work with. Failure to comply with the Ethics and Anti-Corruption policy and procedures may irreparably damage those business relationships.

Roles and responsibilities

The IMC procedures laid out in this document are designed to help you understand your obligations and comply with the law. If you fail to follow the Ethics and Anti-Corruption procedures you put yourself, your colleagues and IMC at risk, and your act or omission may amount to *gross misconduct*.

Everyone is personally responsible for:

- Their ethical and professional conduct
- Compliance with IMC's Ethics and Anti-Corruption policy and procedures
- Obtaining advice and guidance where necessary
- Reporting all breaches of our Code of Ethics, Code of Conduct and the firm's Ethics and Anti-Corruption policy and procedures.

Regional Directors, Managers, and Team Leaders are personally responsible for:

- Monitoring compliance in respect to all business matters they are managing or supervising;
- Monitoring compliance by everyone involved in matters they are managing (including *third parties*, joint ventures and associate firms).

IMC expects those in management and leadership positions to lead by example by both showing commitment to compliance and remaining alert to bribery and *corruption* risk.

Good Practice

Our mission is to deliver the highest quality of consultancy services and to add value to our clients, our employees, our partners and our shareholders. We intend to be the firm that clients trust, people want to work for, partners seek out and shareholders want to invest in.

In order to achieve this we must take appropriate measures to ensure the following;

- We promote employee awareness of, and compliance with, company policies against bribery and *corruption* through appropriate dissemination of policies, training programmes and disciplinary procedures.
- We adopt management and financial control systems that discourage bribery and *corruption*, and adopt financial and tax accounting and auditing practices that prevent the establishment of 'off the books' or secret accounts or the creation of documents which do not properly and fairly record the transactions to which they relate.
- We do not intentionally and deliberately withhold information from our employer or client.
- We do not dishonestly provide, conceal, or approve work, materials, equipment or services which are not of the quality and quantity required under contract.
- We never instruct any other person to act dishonestly or to knowingly commit any act of *corruption*, bribery, extortion or fraud.
- We never give or receive *gifts*, payments or other benefits – including exchange of favours – if the intention is to improperly influence the actions of another.
- We will endeavour to report any incidence of *corruption* that is observed to the relevant authority, should it be judged appropriate to do so.
- We engage and remunerate agents and other *third parties* only for legitimate services that cannot reasonably be provided by our own people.
- All business relationships are vetted by our *Due Diligence* procedures.
- We raise awareness of the global fight against *bribery* and *corruption* amongst our business partners.

Guidance - Make sure you know how to spot *bribery* and *corruption* risks. Familiarise yourself with our procedures and take note of these common indicators of *corruption*.

- Abnormal cash payments, or abnormally high commission percentage
- Pressure exerted for payments to be made urgently, in cash, or to a third party
- Private meetings with public contractors or companies hoping to tender for contracts
- Lavish *gifts* being given or received
- An individual insists on dealing with specific contractors him/herself
- Invoices being agreed in excess of contract without reasonable cause
- Missing documents or records regarding meetings or decisions
- Company procedures or guidelines not being followed

Bribes and facilitation payments

IMC has a strict 'zero tolerance' stance on *corruption* and bribery. IMC will take disciplinary measures against staff who are in breach of our policy; this may ultimately lead to dismissal or contract termination. The direct or indirect offer or promise to make a payment or transfer of anything of value, and the soliciting or acceptance of bribes in any form by or on behalf of IMC to obtain or retain business or a commercial advantage is unacceptable and forbidden.

IMC requires staff to adopt a rigorous stance on corruption. Together we will...

- Perform appropriate *due diligence* on all potential partners, and refuse to associate with any firm, or employ any individual suspected of corrupt behaviour/practice;
- Ensure all staff, contractors and business partners are (i) regularly reminded of our strict policy on *corruption*, and (ii) agree, by contract, to adhere to our Ethics and Anti-Corruption procedures and 'Code of Conduct' when working on opportunities and projects with IMC;
- Provide context-appropriate Anti-Corruption training to all staff (including IMC staff, independent consultants, and consultants and contractors staff where appropriate) to reinforce the responsibilities incumbent upon them as representatives of IMC;
- Maintain and review 'whistle-blowing' procedures for the reporting of observed acts of *corruption/bribery/fraud/extortion*, and communicate these procedures to all IMC staff, independent consultants, and consultants and contractors staff;
- Immediately report to the relevant authority any known act of *corruption* committed by its staff, contractors, partnering firms or any third-party agent in the course of their commission on any lead, bid or project; and;
- Cooperate fully with any legitimately constituted investigative body which make inquiry into the administration of our business.

The board will support any staff member who refuses to make a facilitation payment on behalf of the company – even when this may result in loss of profitability from a project.

Guidance – IMC makes no distinction between bribes and '*facilitation*' payments – both are prohibited. *If staff are threatened or at risk unless a facilitation payment is made and they have done all they can to reason with the individuals involved then it is permitted to make a facilitation payment to avoid personal harm but they should request a receipt, take details of the individuals involved (if possible without aggravating the situation) and report it as soon as possible to the Compliance Director.*

Ensure you understand your responsibilities and obligations under our Anti-Bribery and Corruption policy and procedures and operate at all times ethically and within the law.

Use caution when offering, giving or receiving *gifts* or entertainment (see '*Gifts and hospitality*').

Gifts and hospitality

IMC employees and anyone engaged by or on behalf of IMC must not use *gifts* or entertainment to influence business decision making processes, or otherwise cause others to perceive an influence. The use of gifts and hospitality in this manner constitutes improper payment and therefore an act of bribery. IMC's procedures ensures that the circumstances in which modest *gifts* and hospitality are offered, promised, given or accepted are strictly restricted to those which are reasonable, appropriate and compliant with applicable law and regulation.

At IMC the following are prohibited:

- Solicitation of *gifts* or *hospitality*
- Giving or accepting cash *gifts*
- Giving or offering gifts or specific personal *hospitality* to *government officials* or employees

Permitted gifts and hospitality

IMC generally discourages the acceptance or giving of *gifts* and *hospitality* from or to business partners or potential business partners. However, if it is customary to give *gifts* in a particular developing or transitional country, after due care and consideration of the rules and guidance contained in this document it may be permitted under certain circumstances. If it would cause offense to refuse, and you are sure that you are not breaking any local law, you may accept or give the following without prior approval:

- Corporate *gifts* of low value which feature IMC's logo (calendar etc).
- *Gifts* of a value not exceeding £20 given during the festive seasons of the year.
- Meals of a value not exceeding £100 per person in developed countries and £50 in developing countries.

The acceptance or giving of all other *gifts* and *hospitality* must be pre-authorized by a director and certified in accordance with our Expenses procedure (where claims for reimbursement are being made).

All *gifts* and *hospitality* given and received, regardless of whether prior consent is required or not, must be recorded in the *Gifts and Hospitality Register* (part of each project Office Manual). The register will be used for monitoring the overall level of *gifts* and *hospitality* provided to, or accepted from, our business partners or potential business partners.

Guidance – When deciding whether to offer, promise, give or receive *gifts* and *hospitality* consider the underlying purpose. *If the purpose is to gain or retain business or the grant of any other business advantage, it is probably illegal.*

If it feels wrong - it probably is.

If you have any doubt about the propriety of accepting a *gift* or *hospitality* (including entertainment) from a business partner – you must refuse.

Working with governments

Whenever IMC conducts business or otherwise engages with national or local governments, government agencies, officials and public international agencies, our employees and anyone engaged by or on behalf of IMC must apply the highest ethical standards. IMC has a clear position on working with governments which requires full compliance with all applicable laws and regulations; this includes certain special requirements associated with government transactions.

At IMC the following are prohibited:

- Illicit or secret payments or transfers of any value to *government officials*.
- Illicit payments or transfers of items of value through intermediaries, or to a third party, while knowing that all or a portion of the payment will go directly or indirectly to a *government official*.

No-one acting on behalf of IMC should attempt to or actually exert improper influence on government officials: ensure that any third party engaged on behalf of IMC understands the IMC policy on working with government officials and agree to comply with it.

A *government official* for this purpose is:

- An officer or employee of a government (e.g. civil servants, local government and the armed forces);
- An officer or employee of a 'public international organisation' or any person acting in an official capacity for or on behalf of such public international organisation (e.g. the United Nations, the World Bank, the European Commission, etc.);
- An employee of a company or other business entity in which a governmental body has an ownership interest and/or over which such governmental body may, directly or indirectly, exercise a dominant influence (e.g. state owned commercial enterprises);
- A political party or a member of a political party or a candidate for political office; and;
- Any person known or suspected to be a close family member or associate of any of the above, or companies who are controlled by close family members or associates of any of the above.

Guidance – You should take extra care when dealing with *government officials*. Most countries in the world have made it an offence to bribe their own public officials; many have also made it an offence to bribe a foreign public official.

Be truthful and accurate when dealing with *government officials* and agencies. Seek advice if you are unsure about what to do when working with *government officials*. (See 'What to do if you have a query or concern'.) Don't deviate from contractual requirements without written approval from both sides. Make sure that in the course of your duties you do not obstruct in any manner an authorised *government official* in the proper conduct of their duties or attempt to hinder another person from providing accurate information.

Working with third parties

IMC expects *third parties* to comply with the Ethics and Anti-Corruption policy and procedures when acting on behalf of or otherwise representing IMC. IMC has a clear position which forbids the use of *third parties agents* or business partners to undertaken activity on its behalf which is prohibited to IMC employees under the Ethics and Anti-Corruption policy and procedures. *Due diligence* must be undertaken on all *third parties, agents* and business partners with a view to assessing the *corruption* risk before engaging with them.

At IMC the following are prohibited:

- Engagement with, or instructions to, *third parties* which breach the Ethics and Anti-Corruption policy and procedures.
- Engagement with a *third party* with the express purpose of evading compliance or any other illicit purpose.
- Payments made through or to a *third party* (or any other intermediary) if you know or suspect that all or part of the payment will be used for a purpose which breaches the Ethics and Anti-Corruption policy and procedures.

IMC promotes transparency in procurement...

- Advocate the concept of 'selection by ability' for individuals and firms throughout the tendering process, and at all times adhere to the principles of fair and transparent procurement;
- Refrain from bidding for and/or performing any service unless judged competent to do so;
- Neither wilfully attempt, or sanction attempts to influence the decision of any tendering body through deliberate misrepresentation of ability, or other acts of *corruption* including *bribery* and extortion;
- Neither carelessly or intentionally do anything to injure the reputation of a *third party*, nor attempt to prejudice the appointment of rival individual/firm through negative campaigning; and;
- Engender a sense of trust and respect with all consultants and firms associated with IMC in mutual appreciation of our professionalism, and of our duty to the client.

Guidance – Exercise caution when dealing with *third parties* such as *agents*, consultants and other intermediaries, especially when they are helping you market or promote IMC's business, or engaging with governments or *government officials*.

Compliance with the Ethics and Anti-Corruption procedures and policy is a condition of the contract of engagement with the third party.

Don't use agents or other *third parties* to do anything indirectly on behalf of IMC which you would not be permitted to do yourself and don't allow *third parties* to represent IMC or our clients/customers in high risk situations (e.g. in dealings with *government officials*) without proper supervision.

Manage the activities of *third party* relationships to ensure compliance with the Ethics and Anti-Corruption procedures and policy and other applicable legal and regulatory obligations.

Report any concerns you have about improper conduct or *corruption* activity immediately.

What to do if you have a query or concern

It is important that you understand the provision of the Ethics and Anti-Corruption policy and procedures.

Breaches of these provisions, or of any laws or regulations governing our operations may have severe consequences for the individuals concerned and also for IMC.

If you wish to discuss any queries in relation to the Ethics and Anti-Corruption policy and procedures, the applicable law or regulations, please contact IMC's Compliance Manager:-

corruption@imcworldwide.co.uk

If you believe that the Ethics and Anti-Corruption policy and procedures have been, or are being breached, you have an obligation to report your concerns to someone who can deal with the situation.

You must not ignore your concerns.

Your concerns will be taken seriously and investigated quickly. If you wish, your anonymity will be fully protected unless local laws require disclosure.

You can be absolutely sure that retaliation of any kind directed against anyone who reports an issue concerning the Ethics and Anti-Corruption policy and procedures will not be tolerated.

We will protect anyone who makes a report against retaliation.

Anyone who files a report with the intention of spreading falsehoods or to threaten or damage any member of staff's reputation, will also be subject to disciplinary action. If a breach of the relevant laws or policies is proven, appropriate action will be taken.

A failure to follow the Ethics and Anti-Corruption policy and procedures that involves a criminal act could result in prosecution after referral to the appropriate authorities. Employees who violate the Ethics and Anti-Corruption policy and procedures or any laws or regulations may also be subject to internal disciplinary action, including termination of employment.

Glossary of terms

<i>Agent</i>	A representative who normally has authority to make commitments on behalf of the principal represented. The terms 'representative', 'consultant' or 'intermediary' are also often used.
<i>Bribery</i>	The soliciting/receiving/offering/promising/giving of a financial or other advantage, in order to induce a person to give improper assistance in breach of their duty, or to otherwise influence someone with the underlying purpose of obtaining/retaining business, or an advantage in the course of business.
<i>Business Partner</i>	Any customer or supplier of business to IMC, or anyone engaged by IMC to do business on its behalf.
<i>Corruption</i>	The misuse of entrusted power/breach of duty for personal gain.
<i>Due diligence</i>	<p>An investigation of a company or person prior to signing of a contract in order to evaluate what level of risk is involved in doing business with that company or person.</p> <p>When undertaking <i>due diligence</i> on <i>third parties</i> you must establish whether the potential business partner:</p> <ul style="list-style-type: none">■ has any record or a reputation for <i>corruption</i> (even though they may not have been convicted);■ is being investigated or prosecuted for any <i>corruption</i> related offence, or has been convicted/sanctioned; or■ (in the case of lawyers or other professionals) is debarred from practice.
<i>Facilitation payments</i>	Small bribes, also known as 'grease payments' - non-discretionary payments made to government or public officials to speed up routine administrative processes.
<i>Parties to whom this policy applies</i>	<p>This policy applies to:</p> <ul style="list-style-type: none">■ IMC■ IMC Project Offices■ Everyone engaged within IMC (including officers, employees, consultants); and■ All <i>third parties</i> engaged by and representing or acting on behalf of IMC in whatever capacity (including <i>agents</i>, consultants and business partners).
<i>Gift</i>	Money, goods, services or loans given ostensibly as a mark of friendship, or appreciation. A gift is usually given without expectation of consideration or value in return. A gift should have no role in the business process other than that of marking and enhancing relations or promoting the giver's enterprise by incorporating a logo or message on a promotional item such as a calendar.
<i>Government official</i>	Primarily an officer or employee of a government (e.g. civil servants,

local government and the armed forces) but also includes; - an officer or employee of a 'public international organisation' or any person acting in an official capacity for or on behalf of such public international organisation (e.g. the United Nations, the World Bank, the European Commission, etc.);

- an employee of a company or other business entity in which a governmental body has an ownership interest and/or over which such governmental body may, directly or indirectly, exercise a dominant influence (e.g. state owned commercial enterprises);
- a political party or a member of a political party or a candidate for political office; and
- any person known or suspected to be a close family member or associate of any of the above, or companies who are controlled by close family members or associates of any of the above.

Gross misconduct

For this purpose may include: serious or persistent offences; dishonesty; falsification of IMC records; failure to comply with relevant statutory or regulatory requirements; any action or conduct likely to bring IMC into disrepute; accepting a gift which could be construed as a bribe; and conviction for any serious criminal offence while an employee of IMC or as a party connected to IMC's activities.

Hospitality

Includes entertaining, meals, receptions, tickets to entertainment, social or sporting events, participation in sporting events. Such activities are usually given or received to initiate or develop relationships between business people. The distinction between hospitality and *gifts* can blur, especially where the giver of the hospitality does not attend and act as host. Hospitality should not be given or received in order to exert improper influence in the award or retention of business.

Kickback

A form of *bribery* in which a percentage of the revenues from a contract or other financial award is illicitly returned to the person awarding that contract or benefit.

Management and financial control systems

Processes, implemented by the Board of Directors or equivalent management function, designed to provide reasonable assurance regarding the efficiency of operations, the reliability of financial reporting, and compliance with applicable laws and regulations.

Political donation

Any contribution, made in cash or in kind, to support a political cause. Contributions in kind can include *gifts* of property or services, advertising or promotional activities endorsing a political party, the purchase of tickets to fundraising events and contributions to research organisations with close associations with a political party.

Third Parties

For this purpose, includes contract staff, business partners, joint ventures, consultants, *agents*, representatives, intermediaries, contractors and suppliers.

