



The Bribery Act 2010

CCLA Anti-bribery Policy & Procedures

1. Introduction

The Bribery Act 2010 is effective from 1st July 2011. The Act repeals and consolidates previous corruption legislation.

In addition to the established criminal offenses of giving and receiving a bribe, this new Act places specific responsibility on organisations to have in place adequate procedures to prevent bribery. Should bribery occur, as well as the offences on the part of the individuals concerned, organisations will also be liable for the corporate offence of failing to prevent bribery unless they can demonstrate that adequate preventative measures were in place.

Bribery occurs where there is intent to give someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so. It is an inducement for an action which is illegal, unethical or a breach of trust, and can take the form of gifts, loans, fees, rewards or other privileges.

2. Scope

The Act applies to firms that do business in the UK (whether incorporated in the UK or not), doing business anywhere in the world.

All directors, employees, contractors, consultants and certain other third parties as determined from time to time in accordance with our Bribery Risk Assessment (Associated Persons) are required to comply with this Anti-bribery Policy.

3. Procedures

CCLA's procedures cover the following principles:

3.1 Top Level Commitment

- CCLA is committed to deterring, preventing and detecting bribery. There is a zero tolerance policy towards bribery and such acts would be regarded as gross misconduct or breach of contract;
- The giving or receiving of improper inducements, of any value, is strictly prohibited;
- Facilitation payments must not be made or charged;
- The nature of each of CCLA's sponsorship relationships is fully documented in an approved marketing plan. CCLA does not make financial contributions to favour particular political parties. Charitable donations are rare and are approved at formal meetings of the Executive.

3.2 Risk Assessment & Proportionality

A periodic risk assessment is carried out to ensure that CCLA's procedures are proportionate to the bribery risks the firm or its associated persons face, and to the nature, scale and complexity of the business.

CCLA's risk has been assessed as generally low because it does not operate in a risky business sector and is a relatively small firm. Most of CCLA's third party associated persons are UK suppliers of standard goods or services to CCLA which are considered to represent a very low to zero risk. Many of these are FSA regulated firms. Also, the jurisdiction is mainly UK only. Some third parties are given capital for onward investment including in offshore markets.

CCLA's procedures have been determined with these risks in mind, including the actions we are taking for particular third parties.

These risks are reconsidered annually, and at the time for new lines of business and new business relationships.

3.3 Due Diligence

Due Diligence is carried out to help prevent associated persons from bribing on behalf of the firm. This includes Due Diligence on directors, employees, agents and other third parties as determined by our risk assessment.

New business relationships are assessed and approved by at least two directors, and follow a proper tender process.

3.4 Communication and Training

To enhance awareness and help deter bribery CCLA has the following arrangements in place:

- All directors and employees of CCLA, together with CCLA's appointed agents (currently BII) and third parties operating in overseas markets (and possibly others as determined from time to time from our risk assessment and contract approval process) receive training or training material on CCLA's Anti-bribery Policy and procedures, together with an annual reminder of the requirements;
- CCLA obtains a written acknowledgement from these persons of the need to comply with this Policy. This takes the form of either an electronic/written record at the end of mandatory training sessions, or part of an annual declaration of adherence within the performance review process, or an email or letter of confirmation;
- When such contracts are renewed an anti-bribery clause is to be added;
- Other third parties where there is a lower risk of bribery will receive notification of the Anti-bribery policy with a request to comply;
- Future associated persons will be treated similarly at the time of appointment;
- As a deterrent to others, CCLA's Anti-bribery Policy is published on its website.

3.5 Monitoring & Review

CCLA monitors and evaluates the effectiveness of its bribery prevention procedures as part of the internal audit programme.

A formal update and review of the risk assessment is carried out every 2-3 years in conjunction with the existing fraud risk assessment process.

Changes to business partners and lines of business are considered in relation to bribery risks, as they occur.

Gifts and hospitality over £50 given or received by employees (including executive directors) must be declared and approved, and are reported to the Assurance Committee on a quarterly basis. Each declaration must be accompanied by a statement that they do not constitute any form of inducement to encourage improper conduct and do not create a conflict of interest.

Cash of any value cannot be given or accepted.

There is a dual control approval process for all company payments which ensures they are for valid purposes.

Formal reports on the anti-bribery arrangements are given to the Assurance and Audit Committees on a quarterly and six-monthly basis respectively.

4. Raising a Concern

Should members of staff (or any associated persons) be approached with a bribe or wish to report any concerns or allegations they should report the matter confidentially to the Chief Executive or to the Head of Assurance using the firm's Conflict of Interest Disclosure form. They may also make use of the firm's whistleblowing procedures as set out in the staff handbook.