

# Anti-Corruption & Bribery Policy

## 1. DEFINITION

- 1.1 It is our policy to conduct all of our business in an honest and ethical manner. The Royal Drawing School prohibits and takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever The Royal Drawing School operates.
- 1.2 The Royal Drawing School has implemented appropriate management procedures to help prevent any breach of this policy, and to detect, report and deal with any breach which may occur. The Royal Drawing School will monitor the effectiveness of the policy and procedures and will implement any improvements which are necessary to enhance their effectiveness.
- 1.3 The Royal Drawing School will comply with all laws relevant to countering bribery and corruption in all the jurisdictions in which it operates and requires all employees and third parties with which it has, or plans to establish, some form of business relationship. The Royal Drawing School remains bound by the laws of the UK, including the Bribery Act 2010, in respect of its conduct both at home and abroad.

## 2. PURPOSE

- 2.1 The purpose of this policy is to:
- (a) set out The Royal Drawing School's responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption; and
  - (b) provide information and guidance to those working for us on how to recognise and deal with bribery 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 The Royal Drawing School fails to prevent bribery, the School can face an unlimited fine and damage to our reputation. The Royal Drawing School therefore takes our legal responsibilities very seriously.
- 2.3 In this policy, "**third party**" means any individual or organisation you come into contact with during the course of your work, 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.

## 3. WHO MUST COMPLY WITH THIS POLICY?

- 3.1 This policy applies to all persons working for us or on our behalf in any capacity, including Employees at all levels, officers, agency workers, seconded workers, volunteers, students, models, tutors, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located (collectively referred to as "**workers**" in this policy).

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#### 4. WHAT ARE BRIBERY AND CORRUPTION?

- 4.1 **“Bribery” means** 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.
- 4.2 An **“advantage”** includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value.
- 4.3 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.
- 4.4 **“Corruption”** means 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. The Royal Drawing School 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 School to ensure The Royal Drawing School continues 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.

#### 5. WHAT YOU MUST NOT DO

- 5.1 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 hospitality from a third party that is unduly lavish or extravagant under the circumstances.

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- (d) 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;
- (e) threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- (f) engage in any activity that might lead to a breach of this policy.

## 6. FACILITATION PAYMENTS AND KICKBACKS

- 6.1 The Royal Drawing School does not make, and will not accept, facilitation payments or "kickbacks" of any kind.
- 6.2 **“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.
- 6.3 **“Kickbacks”** are typically payments made in return for a business favour or advantage.
- 6.4 All workers 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 Operations Director.

## 7. GIFTS, HOSPITALITY AND EXPENSES

- 7.1 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 business and/or services effectively.
- 7.2 The giving and accepting of gifts or hospitality 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 your name, not in The Royal Drawing School’s 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.

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- 7.3 Subject to these rules, if you receive a gift or hospitality worth £50 or more (or the equivalent in local currency) you are required to notify the Operations Director so that this can be entered into the Gifts and Hospitality Register.
- 7.4 Promotional gifts of low value such as branded stationery to or from existing customers, suppliers and business partners will usually be acceptable.
- 7.5 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.
- 7.6 The Royal Drawing School appreciates 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.

## **8. YOUR RESPONSIBILITIES**

- 8.1 You must ensure that you read, understand and comply with this policy.
- 8.2 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. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 8.3 You must notify the Deputy Director or Head of Finance 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 are set out in paragraph 12.
- 8.4 Any Employee who breaches this policy will face disciplinary action, which may result in dismissal for gross misconduct. The Royal Drawing School will take appropriate action in relation to any third party which breach any applicable laws or applicable parts of this policy.

## **9. RECORD-KEEPING**

- 9.1 The Royal Drawing School must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- 9.2 You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy and specifically record the reason for the expenditure.
- 9.3 All accounts, invoices, emails, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

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## **10. HOW TO RAISE A CONCERN**

- 10.1 You are encouraged to raise concerns about any issue or suspicion of bribery or corruption at the earliest possible stage.
- 10.2 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 inform the Operations Director or report it in accordance with our Whistleblowing Policy as soon as possible.
- 10.3 If you are unsure about whether a particular act constitutes bribery or corruption, you must raise it with the Deputy Director or Head of Finance.

## **11. PROTECTION**

- 11.1 Workers who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. The Royal Drawing School aims 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.
- 11.2 The Royal Drawing School is 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 HR immediately. If the matter is not remedied, and you are an Employee, you should raise it formally using our Grievance Procedure.

## **12. POTENTIAL RISK SCENARIOS: "RED FLAGS"**

- 12.1 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.

If you encounter any of these red flags while working for us, you must report them promptly to the Deputy Director, Head of Finance or use the procedure set out in the Whistleblowing 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" ;
- (c) 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;
- (d) a third party requests that payment is made to a country or geographical location different from where the third party resides or conducts business;
- (e) a third party requests an unexpected additional fee or commission to "facilitate" a service;
- (f) a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or the provision of services;
- (g) a third party requests that a payment is made to "overlook" potential legal violations;

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- (h) a third party requests that you provide employment or some other advantage to a friend or relative;
- (i) you receive an invoice from a third party that appears to be non-standard or customised;
- (j) a third party insists on the use of side letters or refuses to put terms agreed in writing;
- (k) you notice that The Royal Drawing School has been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- (l) 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;
- (m) you are offered an unusually generous gift or offered lavish hospitality by a third party;
- (n) a third party requests payment is made to another party not involved in the project; or
- (o) a third party receives a share in a project for disproportionate consideration.

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