

TAXATION DISCIPLINARY BOARD

ANTI-BRIBERY POLICY

1. PURPOSE

- 1.1 The Taxation Disciplinary Board (“TDB”) is committed to the highest standards of ethical conduct and integrity in its activities.
- 1.2 This policy outlines TDB’s position on preventing and prohibiting bribery, in accordance with the Bribery Act 2010.
- 1.3 As a limited liability company incorporated in the United Kingdom (“UK”), TDB’s actions are subject to the Bribery Act 2010 (“the Act”).

2. PRINCIPLES

- 2.1 TDB will not tolerate any form of bribery, or any other activity prohibited by the Act by, or of, its directors or officers, employees, third parties, panel members or assessors, contractors and agents or consultants or any person or body acting on its behalf (“TDB Personnel”). Giving, requesting and receiving bribes and facilitation payments are prohibited.
- 2.2 TDB may invoke its’ disciplinary procedures where any TDB Personnel is suspected of bribery, or any other activity prohibited by the Act.

3. ELIGIBILITY

- 3.1 This policy applies to all TDB Personnel, and to any individual acting for, or on behalf of, TDB.
- 3.2 This policy may be amended from time to time.

4. BOARD MEMBER RESPONSIBILITIES

- 4.1 Board members are responsible for ensuring that:
 - 4.1.1 All TDB Personnel have read TDB’s Anti-Bribery Policy.
 - 4.1.2 All TDB Personnel take part in TDB Anti-Bribery training, where appropriate.

- 4.1.3 All TDB Personnel comply with this policy.
- 4.1.4 They work with the Executive and Strategy Officer to investigate any reporting of suspicion, concern or incident of bribery;
- 4.1.5 Procedures are followed within this Anti Bribery Policy.

5. TDB PERSONNEL RESPONSIBILITIES

5.1 TDB Personnel are responsible for:

- 5.1.1 complying with the Anti Bribery Policy;
- 5.1.2 partaking in Anti-Bribery Training where appropriate;
- 5.1.3 carrying out proper due diligence and continuing to monitor associated persons (anyone providing services to TDB);
- 5.1.4 avoiding personal interests or dealings that may conflict with the interests of TDB or its clients;
- 5.1.5 reporting any suspicion, concern or incident of bribery.

6. BRIBERY AND ITS CONSEQUENCES

- 6.1 The UK Bribery Act 2010 is part of a global trend towards stricter anti-bribery legislation and enforcement that poses legal risks for companies and their employees.
- 6.2 Bribery is also a criminal offence that can result in severe penalties. TDB's zero-tolerance policy prohibits you from offering or accepting bribes in any form - monetary or otherwise.
- 6.3 The Bribery Act 2010 defines the following offences:
 - 6.3.1 Paying bribes: offering, promising or giving a financial or other advantage to induce someone to perform their function or activity 'improperly' (the 'active' bribery offence);
 - 6.3.2 Receiving bribes: requesting, agreeing to receive or accepting a financial or other advantage for performing your function or activity 'improperly' (the 'passive' bribery offence);
 - 6.3.3 Bribing a public official;
 - 6.3.4 Failure by a company to prevent bribery by associated persons (associated persons include anyone who performs services for or on behalf of the company e.g. a director, employee, panel member or assessor, agent, supplier or contractor).

7. BRIBERY OF PUBLIC OFFICIALS

- 7.1 The Act introduces a criminal offence of bribing public officials. This occurs if a person offers, promises or gives a financial or other advantage to a public official or to another person at the public official's request; with the intent to influence the public official; and to obtain or retain benefit or an advantage in the conduct of business.
- 7.2 The above definition includes bribes paid to stop public officials from exercising their normal function or exercising a function that is not within their authority.
- 7.3 A 'public official' is:
- 7.3.1 Any person who holds a legislative, administrative or judicial position of any kind, whether appointed or elected, in any country outside the UK;
 - 7.3.2 Any person who exercises a public function (i) for or on behalf of a country outside the UK, or (ii) for any public agency or public enterprise of that country;
 - 7.3.3 Any official or agent of a public international organisation.

8. ASSOCIATED PERSONS – DUE DILIGENCE

- 8.1 TDB is legally responsible for countering the risk of bribes paid by associated persons on our behalf. An 'associated' person can be **anyone** providing services to TDB. This includes “employees” and all forms of intermediary.
- 8.2 It's not good enough to just rely on trust. Enquiries and actions must be made/taken about/towards third parties acting on behalf of TDB. For example (see further examples below) steps should be taken to communicate this policy to them and take reasonable steps to monitor and manage their actions to ensure that they are not paying bribes.
- 8.3 By way of illustration the following examples suggest the steps that might be taken on behalf of TDB to prevent the risk of bribery due to associated persons:
- Require that the associated person seek appropriate approval;
 - Communicate and embed anti-bribery in contracts;
 - Conduct due diligence;
 - Ensure commission levels are appropriate;
 - Pay by legitimate means;
 - Ensure there is a valid reason/business need for the appointment of the third party to work for TDB and that this is properly documented.
- 8.4 Educate the third party about TDB's Anti-Bribery Policy and what is expected of them-ensure that they understand that bribery and any breach of the Act will not be tolerated.

Include this policy in the terms of contract with the third party or seek assurance that they have a robust anti-bribery policy and procedures and include the right to terminate if they pay bribes or this, in our absolute discretion, is suspected of having occurred.

8.5 Be suspicious of third parties if any of the following red flags are observed. This is not an exhaustive list but should be considered:

- Associated with or recommended by a public official;
- Does not appear to have a track record in the area in which it operates;
- Requests for payments to be made to an offshore entity, third party or charity;
- Operates in a sector where the support of public officials is imperative;
- Doesn't seem to perform any service other than 'facilitating' a deal;
- Operates as a sole proprietor/consultant rather than a company;
- Able to bypass legal and bureaucratic hurdles with no questions asked;
- Charges excessive fees/commissions relative to the market norm;

8.6 The offence of paying a bribe under the Act includes the act of offering as well as giving. So, a crime is committed even if the bribe is offered but not paid, and even if the recipient takes the bribe but doesn't perform improperly.

9. CORPORATE HOSPITALITY

9.1 Corporate hospitality and promotions have the potential to create a perception of bribery, and it is essential to draw a distinction between what is legitimate in business situations and what is bribery.

9.2 Bona fide hospitality, entertainment or promotion is what we offer to third parties to improve the image of TDB, present services, or establish cordial relations. However, if the hospitality or promotion is offered to influence an official or stakeholder to secure business or an advantage, it can amount to bribery.

9.3 You may accept and offer hospitality, such as meals and entertainment, provided it has a legitimate business purpose, and the expense is reasonable and transparent and is noted on the Gifts and Hospitality Register (maintained by the Executive and Strategy Officer).

9.4 You must not offer hospitality if it could be seen to influence the recipient improperly. You must not offer hospitality when bidding for a tender. When giving or accepting hospitality, the host should be present. Otherwise, it becomes a gift.

9.5 Travel expenses are another issue for which you must exercise care. Paying for a speaker to

travel to a TDB event/meeting is legitimate. However, such travel expenses should be made according to TDB's Fees and Expenses Policy. Under no circumstances should TDB pay the travel expenses of any other individuals, e.g. accompanying family members.

9.6 Example

Q. Does this policy mean I can no longer attend business lunches with key stakeholders?

A. No. Conventional hospitality, such as an occasional business lunch, is permitted where the frequency and total cost of the hospitality is reasonable and would not be construed by an impartial observer as affecting the employee's judgement regarding work for which they are employed.

9.7 The receipt of non-work-related hospitality is not permitted e.g. a private viewing at a gallery, attending a theatre or sporting event where the supplier/stakeholder is not present.

10. GIFTS

10.1 Gifts given to or received from third parties can also create a perception of bribery.

10.2 It may be acceptable to offer, or accept, something of token or novelty value, e.g. a diary, a cheap pen, a calendar, or flowers on a birthday, but beware of anything more valuable like theatre tickets, expensive wine or items of jewelry.

10.3 Giving or receiving cash is not permitted as it will be perceived as a bribe. So, beware of offering or accepting anything that can be used as cash, e.g. vouchers or discount coupons.

10.4 You should never accept any expensive gifts from suppliers, customers or agents. Do not be fooled by a gift that is presented as a competition prize, a lottery draw, etc. Also, you should report any such gift offered to the Executive and Strategy Officer.

11. DONATIONS AND SPONSORSHIPS

11.1 TDB is committed to corporate social responsibility but does not make charitable donations or participate in the sponsorship of events.

11.2 To manage bribery risk, TDB policy prohibits political contributions.

12. REPORTING SUSPECTED BRIBERY

- 12.1 The prevention, detection and reporting of bribery is the responsibility of all employees and associates throughout TDB.
- 12.2 You may experience a situation where this guidance does not cover your particular circumstance and in such a case you should seek advice from the Executive and Strategy Officer.
- 12.3 No matter how you choose to report, as long as your report is made honestly and in good faith, no retaliatory action will be taken against you for making the report. Any allegations of retaliation will be investigated and appropriate action taken.
- 12.4 You have an obligation to report:
- any suspected or actual attempts at bribery;
 - concerns that other employees or associated persons may be being bribed; or
 - concerns that other employees or associated persons may be bribing any third parties.
- 12.5 Where possible, the most effective method of reporting your concerns is to the Executive and Strategy Officer. If this is not possible then to a Board member.

13. RISK ASSESSMENT

- 13.1 The nature and extent of exposure to potential external and internal risks of bribery will be assessed and documented periodically by the Executive and Strategy Officer who should be contacted about any concerns or areas of doubt.

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