

## INS Anti-Corruption and Bribery Code of Conduct

### 1. PRINCIPLES

- 1.1 We have, and always will, 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 and implementing and enforcing effective systems to counter bribery.
- 1.2 We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. However, we remain bound by the laws of the UK, including the Bribery Act 2010, in respect of our conduct both at home and abroad
- 1.3 This Code of Conduct will be part of our Commercial Policy and its purpose is to:
- (a) set out our 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.
- 1.4 Bribery and corruption are punishable for individuals by up to ten years' imprisonment and if we are found to have taken part in corruption we could face an unlimited fine, be excluded from tendering for public contracts and face damage to our reputation. We therefore take our legal responsibilities very seriously.
- 1.5 We have identified that the following are particular risks for our business:
- a) Where third parties act as our consultants, agents or representatives on our behalf in dealings with third parties in jurisdictions outside the UK; and
  - b) Where our employees and agents are dealing with foreign public officials both directly and indirectly through third parties e.g. in Panama, Japan, China, via the Global Acceptance initiative and marine activities.
- 1.6 To address those risks referred to in clause 1.5 above (or any other risk of bribery) we:
- a) include specific anti-bribery provisions in our contracts with all third party agents and representatives; and
  - b) arrange for all employees to receive training, and ensure that all third parties that act on our behalf have received suitable training on (i) the risks of breaching the Bribery Act 2010 and (ii) anti-bribery measures.
- 1.7 In this Code of Conduct, **third party** means any individual or organisation you come into contact with during the course of your work for us, and may include actual and potential clients, customers, suppliers, distributors, business contacts, partners, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

## **2. WHO IS COVERED BY THIS CODE OF CONDUCT?**

This Code of Conduct applies to all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person who acts on our behalf or represents us, or any of our subsidiaries or their employees, wherever located.

## **3. WHAT IS BRIBERY?**

A bribe is an inducement or reward offered, promised or provided in order to gain or retain any commercial, contractual, regulatory or personal advantage, whether financial or otherwise, where the giver intends the recipient to perform a function or activity improperly.

## **4. GIFTS AND HOSPITALITY**

4.1 This Code of Conduct does not prohibit normal, proportionate and appropriate gifts or hospitality (given and received) to or from third parties subject to INS guidance and reporting arrangements for example where hospitality is used as a means of promoting or establishing cordial relations with third parties, presenting products or services in a better light, improving the image of the organisation, or providing an opportunity for additional discussions with third parties in more informal surroundings

4.2 The giving or receipt of gifts or hospitality is not prohibited, if the following requirements are met:

- a) it is not made with the intention of influencing a third party to act improperly in order 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 complies with local law;
- c) it is given in the company name, not in an individual name;
- d) it does not include cash or a cash equivalent (such as gift certificates or vouchers);
- e) it is appropriate in the circumstances. For example, in Japan it is sometimes customary for small gifts to be exchanged at the end of visits;
- f) taking into account the reason for the gift, it is of an appropriate type and value and given at an appropriate time;
- g) it is given openly, not secretly; and
- h) gifts offered to, or accepted from, government officials or representatives, or politicians or political parties are, in conjunction with your line manager considered reasonable and appropriate in the specific circumstances.

4.3 We appreciate that the practice of giving business gifts and hospitality 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 or hospitality is reasonable and justifiable. The intention behind the gift or hospitality should always be considered. It is not permitted to persuade or attempt to persuade a person to whom you give any gift or hospitality to behave improperly and you must never behave improperly as a result of the receipt or offer of any gift or hospitality. Where there is any doubt please speak to your line manager to ensure compliance with NDA's delegated powers (Clause 8.1 below) before any gift is offered or accepted.

## **5. WHAT IS NOT ACCEPTABLE?**

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, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure;
- c) accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them;
- d) accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return;
- e) threaten or retaliate against another member of staff who has refused to commit a bribery offence or who has raised concerns under this Code of Conduct; or
- f) engage in any activity that might lead to a breach of this Code of Conduct.

## **6. FACILITATION PAYMENT AND KICKBACKS**

6.1 We do not make, and will not accept, facilitation payments or "kickbacks" of any kind. Facilitation payments or "kickbacks" are typically small, unofficial payments made to secure or expedite a routine government action by a government official. They are not commonly paid in the UK, but are common in some other jurisdictions.

6.2 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 your line manager.

6.3 Kickbacks are typically payments made in return for a business favour or advantage. All staff must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by us.

## **7. YOUR RESPONSIBILITIES**

- 7.1 You must ensure that you read, understand and comply with this Code of Conduct.
- 7.2 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 members of staff are required to avoid any activity that might lead to, or suggest, a breach of this Code of Conduct
- 7.3 You must notify initially your line manager **OR** Safecall as soon as possible if you believe or suspect that a conflict with this Code of Conduct 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 examples of "red flags" that may indicate bribery or corruption are set out at the end of this Code of Conduct.

## **8. RECORD-KEEPING**

- 8.1 We must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties. Under NDA's delegated powers INS has a limit of £1k per annum to spend on gifts. Prior approval must be sought from the INS Managing Director prior to purchasing any gift.
- 8.2 You must declare and complete the INS Hospitality Register to record all hospitality or gifts accepted or offered, which will be subject to managerial review.
- 8.3 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.
- 8.4 All accounts, invoices, 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.

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

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. For further details please see section 1 'Reporting of Serious Concerns' of the INS Conditions of Employment Manual.

## **10. WHAT TO DO IF YOU ARE A VICTIM OR BRIBERY OR CORRUPTION**

It is important that you tell initially your line manager or, Safecall as soon as possible if you are offered a bribe by a third party, are asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

## **11. PROTECTION**

Staff 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 we are committed to ensuring no one suffers any detrimental treatment as a result of raising genuine concerns in good faith under this Code of Conduct, even if they turn out to be mistaken. For further details please refer to section 1 'Reporting of Serious Concerns' of the INS Conditions of Employment Manual.

## **12. TRAINING AND COMMUNICATION**

- 12.1 Training on this Code of Conduct forms part of the induction process for all new staff. All existing staff have received relevant training on how to implement and adhere to this Code of Conduct.
- 12.2 Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter.

## **13. WHO IS RESPONSIBLE FOR THIS CODE OF CONDUCT**

- 13.1 The INS Board has overall responsibility for ensuring this Code of Conduct complies with our legal and ethical obligations, and that all those under our control comply with it.
- 13.2 The INS Commercial Director has primary and day-to-day responsibility for implementing this Code of Conduct, 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 Code of Conduct and are given adequate and regular training on it.

## **14. MONITORING AND REVIEW**

- 14.1 The INS Commercial Director will monitor the effectiveness and review the implementation of this Code of Conduct, 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.
- 14.2 All staff are responsible for the success of this Code of Conduct and should ensure they use it to disclose any suspected danger or wrongdoing.
- 14.3 Staff are invited to comment on this Code of Conduct and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Commercial Director.

## **15. 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, in the first instance to your line manager **OR** to Safecall **OR** using the procedure set out in the INS Whistleblowing Guidance:

- 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" with foreign government officials;
- c) 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;
- d) 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;
- e) a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- f) a third party requests an unexpected additional fee or commission to "facilitate" a service;
- g) a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- h) a third party requests that a payment is made to "overlook" potential legal violations;
- i) a third party requests that you provide employment or some other advantage to a friend or relative;
- j) you receive an invoice from a third party that appears to be non-standard or customised;
- k) a third party insists on the use of side letters or refuses to put terms agreed in writing;
- l) you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- m) 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
- n) you are offered an unusually generous gift or offered lavish hospitality by a third party.