Landell Mills

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Anti-Corruption Policy and Summary Procedures



Landell Mills[1] Anti-Corruption Policy

1. Background

Landell Mills (the Company) seeks to conduct its business activities with the highest level of professional integrity. Our business activities are subject to the requirements of UK, Irish and US legislation including the UK Bribery Act 2010, the Irish Prevention of Corruption Acts, 1906 – 2010 and the US Foreign Corrupt Practices Act 1977, regardless of where in the world they are carried out. Similarly, our work on behalf of bilateral and multilateral development assistance agencies is subject to their specific rules and procedures designed to combat corruption.

For the purpose of this Policy, corruption includes bribery, extortion, fraud, deception, collusion, cartels, abuse of power, embezzlement, trading in influence, money-laundering and similar criminal activity.

2. Landell Mills

Landell Mills prohibits its officers, employees and those contracted to the Company from engaging in any form of corruption in relation to the Company's business and affairs. Anyone who suspects that a breach of this policy has taken place or is likely to take place, or has a corrupt approach made to them, must seek immediate guidance from the Compliance Officer responsible for the implementation of this policy. In his/her absence, the Managing Director should be consulted directly.

Landell Mills will use all reasonable endeavours to conduct its business and affairs so as to ensure that it does not engage in or facilitate any form of corruption. Prospective consortium partners and sub-contractors will be asked to sign up to the policy and procedures of Landell Mills and or demonstrate that they have policies in place that are equivalent to those of Landell Mills.

Anti-corruption action by individual organisations is not sufficient to reduce corruption in the development assistance sector to any significant extent. There must, in addition, be concerted and collaborative action by all stakeholders. Landell Mills supports international efforts and will work with other stakeholders to reduce corruption in the development assistance sector.

Landell Mills has adopted a corporate anti-corruption programme to enable it to comply with this Policy. Landell Mills will properly implement this programme and review it on an annual basis to ensure that it is operating effectively. The programme can be found at www.landell-mills.com/policies.asp. All existing and new employees will receive training on the programme and will be required to certify annually that they have understood it and will comply with its provisions.

3. Breach of the policy

An employee or contracted consultant who carries out a corrupt act, or fails to report actual or suspected corrupt activity on the part of another employee, consultant, sub-contractor, consortium partner or any other person connected to the Company will be liable to disciplinary action, which may include termination of his/her contract without notice and may lead to prosecution.

[1] Includes Group companies: Landell Mills Ltd., UK; Landell Mills International Ltd., Ireland and Landell Mills Ltd., Afghanistan

Landell Mills encourages employees or those contracted to the Company to report attempted, suspected or actual bribery to an appropriate person in the organisation (either directly or through an appropriate third party). Information reported will be treated in the strictest confidence, subject to any legal requirement to report the matter to the law enforcement agencies. An employee or one who is contracted to the Company who reports a concern in good faith shall be protected and shall not be penalised or put at risk of any retaliation.

4. Certification

The Anti-Bribery Management System (ABMS) of Landell Mills is certified as compliant with ISO 37001 standard.

Landell Mills Summary Anti-Corruption Procedures

The full procedures are available at Landell Mills UK and Irish Offices.

1. Statement of responsibility

1.1 The Directors of Landell Mills have committed the Company to an Anti-Corruption Policy. The procedures show how we will carry out the Anti-Corruption Policy, and thereby minimise the risk of corruption. The Procedures are designed to be fully consistent with the requirements of ISO 37001.

1.2 In addition to the responsibilities of each and every member of staff for his/her own ethical and professional conduct and for compliance with our policy and procedures, divisional managers and project managers carry responsibility for monitoring compliance in respect of all business matters they are managing or supervising, and monitoring compliance by third parties engaged by or working with or on behalf of Landell Mills and directly involved in matters they are managing or supervising.

1.3 The Compliance Manager for Landell Mills' anti-corruption procedures will be initially responsible for investigating any concern that is encountered, reported or discovered relating to possible corruption. They are responsible for annual review of the suitability, adequacy and effectiveness of the procedures, based on audits undertaken, personnel reports and breaches/incidents and control weaknesses that have been identified. They shall in turn report annually to senior management, making recommendations as appropriate.

2. Risk Assessment and management

2.1 Landell Mills requires that employees, contracted consultants and anyone else working on behalf of Landell Mills must never solicit, accept, agree to receive, promise, offer or give a bribe or other improper payment. Staff contracts cover this area fully.

2.2 In order to assess and manage such risks in relation to a specific project, it is necessary to carry out due diligence on the country in which the project is to be undertaken, the business sector, the work type and the business model, as well as our actual or proposed business associates. This process should be repeated as necessary so that changes in the business environment and new information received can be properly assessed.

2.3 Risks are assessed and managed through due diligence on people and organisations, the use of formal contracts, and monitoring throughout the project. Our procedures for each of these are explained in the full document.

2.4 Where the risk assessment in relation to a specific transaction or project establishes that the policies, procedures and controls, even if improved, are unlikely to reduce the assessed risks to an acceptable level, Landell Mills shall take steps appropriate to the risks and nature of the transaction or project to terminate, discontinue or withdraw from the project, or that part of the project that carries the excessive risk, as soon as is practicable.

3. Due diligence

3.1 Due diligence on potential third parties should include research, using publicly available records, internet searches where relevant, and market intelligence. The level of due diligence applied should reflect the level of perceived risk posed by the appointment.

3.2 Employees shall, in all cases, exercise care when selecting and dealing with third parties and should be alive to corruption risks and raise any concerns in relation to them. Employees must ensure that any concerns raised by due diligence are resolved or referred to their Manager who may in turn pass the issue to the Compliance Manager before proceeding. An unresolved concern shall be a negative factor for our risk assessment. The due diligence checklist included in the *Landell Mills Anti Bribery Management System (ABMS) Manual* gives the information that should be collected and analysed.

3.3 Due diligence shall be repeated at least every 2 years during an ongoing project in cases where there is more than a low risk – e.g. partner is the lead on a loan project and/or decision making is done at beneficiary government level.

3.4 In other cases, due diligence shall be updated once a red flag is raised so that changes and new information can be properly taken into account.

3.5 As part of due diligence, the Compliance Manager shall carry out proportionate internal audit procedures on projects, contracts, procedures, controls and systems.

4. Formal contracts with third parties

4.1 Every effort must be made to ensure that third parties clearly understand how they are expected to behave when doing business for or with Landell Mills. The third party must clearly understand our Anti-Corruption Policy and Procedures, copies of which shall be provided to them by the person responsible for engaging the third party. They shall sign our Anti-Corruption Agreement to certify that they will operate in a corruption-free manner. Refusal by a third party to agree to this shall be a negative factor in assessing whether to go ahead with them. However, where the third party already has appropriate anti-corruption procedures in place, these may be accepted as sufficient for the purposes of our contract with them.

4.2 All contracts with third parties should be in writing and should state clearly the terms of business. Records of all payments made must also be maintained, including the account to which the payment was made, the contract to which the payment relates, and the reason for the payment. Invoices must show to a reasonable degree of detail how the total is made up.

5. Monitoring/Training of third parties

5.1 Third parties must be monitored during the contract period, to include:

- Services provided by the third party.
- Investigation of all concerns that come to the attention of Landell Mills.
- Ensuring expenditure is in line with agreements between the Parties.

Formal anti-corruption training should be provided for long-term projects deemed to be of medium to high risk of a potential corrupt act. This should be decided by Landell Mills project managers, with advice from division managers and the compliance manager as appropriate. The training should be targeted to project staff as well as support staff (e.g. local finance manager) and local partners.

6. Gifts and hospitality

6.1 Landell Mills generally discourages the acceptance or giving of gifts from or to business partners or potential business partners. However, if it is customary to give gifts in a particular country, it may be permitted within certain limitations. If it would cause offense to refuse a gift or decline to offer one, and you are sure that you are not breaking any local law, you may give or accept the following without prior approval:

- Corporate gifts of low value which feature our logo (for example a calendar or diary).
- Gifts of a value not exceeding €50 per person given during festive seasons.

6.2 It is recognised that hospitality is a normal part of business; however care should always be taken to ensure that hospitality cannot reasonably be seen as an attempt to influence someone improperly. It follows that hospitality should never be offered to an individual procurement officer or any other individual involved in decisions on project award. Modest group entertainment is permitted provided no discussion is initiated by employees or those contracted to Landell Mills on specific future projects at the gathering (general expressions of goodwill and hope for future cooperation are fine, though best made in a speech of welcome to the guests as a whole). With these caveats, our guideline is that the value of a meal should not exceed €110 in high income countries and €55 in middle or low income countries per person.

6.3 The acceptance or giving of all other gifts and hospitality must be pre-authorised by a Divisional Director/Manager and certified in accordance with our expenses procedure, where a claim for reimbursement is being made. Gifts given or received must NEVER be in the form of cash.

6.4 All gifts and hospitality given, regardless of whether prior consent is required or not, must be recorded through a specified code in the company accounts system.

6.5 All gifts and hospitality received of value greater than €50, regardless of whether prior consent is required or not, must be recorded in the online *Received Gifts and Hospitality Register*. This register should include the date when hospitality or gifts were received, their value, and the names of both the giver and the receiver.

6.6 The company accounts system and the *Received Gifts and Hospitality Register* shall be used for monitoring the overall level of gifts and hospitality provided to, or accepted from, our business partners or potential business partners, and shall be inspected routinely by the Compliance Manager.

7. Political donations, sponsorship and public official travel and hospitality

7.1 In order to minimise opportunities for corruption, Landell Mills does not make any political donations. Individual sponsorships or charitable donations above €500 made by Landell Mills in any one financial year shall be listed clearly and prominently on the company website.

7.2 Care should be taken in authorising travel by public officials in the context of a project we are managing and any hospitality offered during a visit to the UK, Ireland or elsewhere for the purpose of gaining knowledge for the furtherance of project objectives. Such travel shall ordinarily only be authorised for trips that are part of official project activities, are approved by the client and which are therefore usually reimbursed by the client. Excessive generosity in the class of travel or level of hospitality that could affect or impair the independence or judgement of the recipient, or could make the recipient feel obligated, could be perceived to be intended as a bribe.

7.3 The class of travel, accommodation and meals offered should be that to which the official would normally be entitled at his own government's expense. Hospitality should never extend to paying for an official to stay on, for example, for an extra weekend; and accompanying spouse travel shall never be paid for, unless the spouse is a valid candidate for the visit in his or her own right, as an official working in a relevant field. In such a case, the decision must be documented.

8. Facilitation payments

8.1 A facilitation payment is a payment made to encourage a person to carry out his or her duty. Although a facilitation payment is therefore distinct from a bribe, it is nevertheless regarded as a form of corruption and the making or receiving of a facilitation payment is a criminal offence under the UK Bribery Act 2010 and in many other jurisdictions. Landell Mills prohibits the making of any facilitation payment, save in circumstances where the personal safety of any person is endangered.

8.2 If a member of staff is threatened or believes he or she is at risk unless a facilitation payment is made, and has done everything possible to reason with the individuals involved, it is permitted to make a facilitation payment to avoid personal harm. However, a receipt should be requested and details of the individuals involved should be taken if this is possible without aggravating the situation. The payment shall be reported as soon as possible to the Compliance Manager.

9. Employment procedures

9.1 Landell Mills' employment practices fully support these procedures. All employees will be asked to certify annually that they have reviewed the procedures, have complied with them and have reported to the Compliance Manager any information they may have relating to any possible violation; and that they do/do not have any actual or potential conflicts of interest.

10. Reporting

10.1 It is Landell Mills' policy that every employee and business partner must be able to raise any genuine concerns regarding suspected breaches of our anti-corruption policy, or questions about any aspect of the Policy or procedures without fear of prejudice,

disciplinary action or victimisation. This policy applies world-wide to all employees. It also applies to Landell Mills' agents and consultants.

10.2 If anyone believes that a provision of the Landell Mills Anti-Corruption Policy or Procedures has been or is being breached, this shall be raised promptly with someone who can deal with the situation. This also applies if a question arises, or clarification is needed about any aspect of the Policy and its related procedures. External partners wishing to raise concerns may do so to any senior manager.

10.3 An external partner that is found to have knowingly made a false allegation or to have provided false information shall be regarded as having carried out a corrupt act and shall be subject to the relevant provisions of their contract with Landell Mills.

10.4 This policy is not intended to be a substitute for Landell Mills' grievance procedures and is not a channel for raising grievances relating to conditions of employment and/or personal circumstances.

Any allegations of suspected breaches of our anti-corruption policy and procedures can be forwarded in confidence to:

Compliance@landell-mills.com
Attn. Compliance Manager