



Slater Investments Limited

Anti-Bribery Policies and Procedures

October 2019

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1. Introduction

The Bribery Act 2010 (the “Act”), which came into force on 1 July 2011, reforms the criminal law in the UK to provide a new, modern and comprehensive scheme of bribery offences that will enable courts and prosecutors to respond more effectively to bribery at home or abroad.

The Act:-

- provides a more effective legal framework to combat bribery in the public or private sectors;
- replaces the fragmented and complex offences at common law and in the Prevention of Corruption Acts 1889-1916;
- creates two general offences covering the offering, promising or giving of an advantage, and requesting, agreeing to receive or accepting of an advantage;
- creates a discrete offence of bribery of a foreign public official;
- creates a new offence of failure by a commercial organisation to prevent a bribe being paid for or on its behalf (it will be a defence if the organisation has adequate procedures in place to prevent bribery);
- requires the Secretary of State to publish guidance about procedures that relevant commercial organisations can put in place to prevent bribery on their behalf; and
- helps tackle the threat that bribery poses to economic progress and development around the world.
- introduces six principles (listed in **Annex A**) that are intended to be non-prescriptive and flexible. These are reflected in the policies and procedures set out in this statement.

2. The Firm's Commitment

The Firm, with the full support of its directors, is committed to ensuring that it does not breach any of the four bribery offences which are:-

- (a) Offering or giving a bribe;
- (b) Requesting or accepting a bribe;
- (c) Bribing a foreign public official in order to obtain or retain business or business advantage; and
- (d) Failure of "Commercial Organisations" (as defined) to prevent bribery.

The Firm's directors are committed to preventing bribery either by the Firm itself or by persons associated with it, and have published a statement (see **Annex B** below) on the Firm's website indicating this. Furthermore, they are actively engaged in the risk assessment process (see below) which is endorsed at director meetings.

Furthermore, the Firm's directors are closely involved in the day-to-day management of the Firm, thus ensuring that they learn of any questionable practices as and when they arise, and can put a stop to them and deal with them immediately.

3. The Firm's Policies and Procedures

To secure compliance with the Act the Firm has adopted certain specific procedures designed to prevent its directors, employees, agents, and third parties contracted to it, from being involved in bribery and corruption.

These are designed to be proportionate to the nature, scale and complexity of the Firm's business activities, and to the bribery risks faced by the Firm. The procedures are as follows:-

- (a) An initial bribery risk assessment (see **Annex C** below) is undertaken by the Firm's directors to assess the bribery risks that the Firm faces in its existing operations. The assessment process will be repeated whenever new business opportunities are considered, and/or whenever new agents/third parties are contracted to the Firm, whenever the Firm undertakes business in a new sector or a new country and whenever a new transaction is

undertaken that involves charitable or political donations, licences permits or public procurements.

- (b) The Firm's directors undertake subsequent bribery risk assessments on an annual basis (see questionnaire in **Annex D** below) where a reassessment of the same initial risks are undertaken in case there have been changes, such as a new sector become risky or a country previously considered low risk becoming high risk etc. This can be looked at separately or as part of the Firm's annual risk assessment of all its business risks.
- (c) Where bribery risks are identified using this risk-based approach, the Firm will undertake appropriate due diligence work to vet new business opportunities, and/or new agents / third parties contracted to it.
- (d) All new directors, staff and agents have certain terms and conditions included in their contract of employment or contract of engagement to require that they abide by the Firm's anti-bribery and procedures (with clauses allowing for early termination should they breach those terms and conditions).
- (e) All new directors, staff and agents are required to read the Firm's manuals (e.g. Compliance Procedures Manual, and Staff Handbook containing this statement) and to sign initial declarations to acknowledge that they have read and understood, and will comply with, the Firm's policies and procedures on various different matters, including on the Bribery Act.
- (f) For new directors and staff there is also induction training where the Firm's bribery risk policies and procedures are discussed, and the importance of adherence to them is emphasised.
- (g) For existing directors, staff and agents, initial and refresher training will be arranged by the Compliance Officer on the Firm's anti-bribery procedures. Where new issues arise, or new legislation comes into force between training sessions, directors, staff and agents will be informed by e-mail.

- (h) The Firm's directors review all procedures on at least an annual basis, or as and when events occur requiring their immediate amendment, and in such instances directors, staff and agents will be informed by e-mail of the changes.
- (i) The Firm has appropriate internal controls to ensure its policies and procedures are adhered to and there is appropriate monitoring to ensure they are effective, thus minimising the risks of the Firm being exposed to bribery and corruption.
- (j) Only the directors of the Firm can commit the Firm in any financial way, namely to expenditure, whereby financial commitments up to a certain level may be entered into by one director, financial commitments above that level and up to a further level may be entered into by at least two directors, and above that second level only by all directors.
- (k) Non-petty cash payments (i.e. all major expenditure) is under the control of the only certain staff, and only certain staff is provided with a credit card in the name of the Firm. Regular reconciliations are undertaken of the bank account and monthly checks are made of expenditure incurred by those staff using the company credit card.
- (l) The Firm's existing Gifts Register has been enhanced to require all directors, staff and agents to obtain written permission from the Compliance Officer or a stipulated director before making or accepting any gift or benefit. The compliance department maintains a register of all such requests and approvals, and this is reviewed on a regular basis by the directors or the Firm's Risk and Compliance Committee. Please refer to Compliance Manual for further details.
- (m) The Firm's existing Conflict of Interests policy, as detailed in the Firm's Compliance Manual, will continue to apply, with records maintained of all conflicts identified, details of directors' involvement and how the conflict was mitigated. This record is reviewed by the directors or on a regular basis.
- (n) The Firm's existing Whistleblowing policy, will continue to apply. This allows staff to report suspicions or concerns internally in the first instance and then to the relevant authority in the event that the Firm does not deal with the concern satisfactory. The Firm's Whistleblowing Officer maintains a record of the concern or complaint and of the

subsequent investigation undertaken. This is reviewed by the Firm's directors on a regular basis.

- (o) A Regular Review is undertaken, by the Firm's directors, of commission rates, bonuses and payments to agents, employees and other contractors for services rendered, including rebates the discounting/sales policy rates offered by the Firm to obtain business. The Firm's directors' monitoring also includes a review of reports by independent parties such as external audit reports, reviews of complaints registers and media coverage of the Firm for bad press.

- (p) Regular Monitoring and Testing of adherence to the above policies and procedures is undertaken by the Compliance Department. The results of this monitoring and testing is brought to the attention of the Firm's directors who will take whatever measures that are required where a control weakness or non-compliance has been identified.

SLATER INVESTMENTS LIMITED THE ACT'S SIX PRINCIPLES

Principle 1: Proportionate Procedures

A commercial organisation's procedures to prevent bribery by persons associated with it are proportionate to the bribery risks it faces and to the nature, scale and complexity of the commercial organisation's activities. They are also clear, practical, accessible, effectively implemented and enforced.

Principle 2: Top-level Commitment

The top-level management of a commercial organisation (be it a board of directors, the owners or any other equivalent body or person) are committed to preventing bribery by persons associated with it. They foster a culture within the organisation in which bribery is never acceptable.

Principle 3: Risk Assessment

The commercial organisation assesses the nature and extent of its exposure to potential external and internal risks of bribery on its behalf by persons associated with it. The assessment is periodic, informed and documented.

Principle 4: Due Diligence

The commercial organisation applies due diligence procedures, taking a proportionate and risk-based approach, in respect of persons who perform or will perform services for or on behalf of the organisation, in order to mitigate identified bribery risks.

Principle 5: Communication (including Training)

The commercial organisation seeks to ensure that its bribery prevention policies and procedures are embedded and understood throughout the organisation through internal and external communication, including training that is proportionate to the risks it faces.

Principle 6: Monitoring and Review

The commercial organisation monitors and reviews procedures designed to prevent bribery by persons associated with it and makes improvements where necessary.

SLATER INVESTMENTS LIMITED ANTI-BRIBERY POLICY STATEMENT on the FIRM'S WEBSITE

Slater Investments Limited (the “Firm”) is committed to ensuring that it, its directors, employees, agents and anyone contracted to it comply with the requirements of the UK Bribery Act 2010.

The Firm is committed to conducting its business fairly, honestly and openly, and has a zero-tolerance approach towards bribery and corruption.

The Firm has implemented a risk-based approach to identify areas where it may be at risk to bribery and has put in place systems and procedures to reduce and manage this risk. It reserves the right not to deal with other entities that do not make the same commitment.

The Firm has adopted and implemented a number of policies and procedures which are intended to prevent the Firm, its directors, staff or agents being involved in bribery. These are reviewed regularly to ensure they remain effective.

For further information on the Firm’s bribery risk policies and procedures please contact the Compliance Officer, to whom the directors have given day-to-day responsibility for ensuring that the Firm’s anti-bribery policies and procedures are adhered to.

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INITIAL BRIBERY RISK ASSESSMENT

Consider each question, then rate the degree of risk and insert the score in the right-hand column. Add each score to determine the Firm's potential risk / exposure to bribery.		
Score: 1 = Low Risk, 2 = Some Risk, 3 = Medium Risk, 4 = High Risk, 5 = Very High Risk		Score
1. Country Risk		
1.1	Does the Firm operate mostly in the UK? If yes, give low score.	1
1.2	Does the Firm operate mostly in the UK, Europe, and US? If yes, give low score.	1
1.3	Does the country in which the Firm operates or will operate have perceived high levels of corruption? If yes, score high. Refer to Transparency International website (www.transparency.org) for objective and detailed assessments.	1
1.4	Has the Firm recently acquired or merged with any organisations in countries with perceived high levels of corruption? If yes, score high. Refer to Transparency International website (www.transparency.org) for objective and detailed assessments.	1
1.5	Does the country in which activity is taking place or is proposed have effectively implemented anti-bribery legislation? If yes, give low score.	1
1.6	Does the country in which activity is taking place or is proposed have effective procurement and investment policies by the local government and agencies? If yes, give low score.	1
2. Sector Risk		
2.1	Is the proposed activity within an industry sector at risk of bribery practices? For example:	
	• large-scale infrastructure such as transport or public projects; or	
	• oil/gas/mining industries; or	
	• construction/property development.	
	If yes, give high score.	1
3. Transaction Risk		
3.1	Does the transaction involve charitable donations? If yes, give high score.	1

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3.2	Does the transaction involve political donations? If yes, give high score.	1
3.3	Does the transaction involve licences, permits and transactions relating to public procurement which brings employees and others into frequent contact with public officials? If yes, give high score.	1
4. Opportunity Risk		
4.1	Does the project involve a number of contractors and intermediaries? If yes, give high score.	1
4.2	Does the project involve below-market prices? If yes, give high score.	1
4.3	Does the project involve a tendering exercise? If yes, give high score.	1
5. Partnership Risk		
5.1	Will the proposed activity involve the potential use of intermediaries in transactions with foreign public officials? If yes, give high score.	1
5.2	Is there a risk of relationships with politically sensitive persons where the proposed relationship involves or is linked to prominent public officials? If yes, give high score.	1
6. Perceived Pressure at Work		
6.1	How many employees does the Firm employ? Score:-	2
	• 1 point for one to five employees	
	• 2 points for six to 30 employees	
	• 3 points for 31 to 99 employees	
	• 4 points for 100 to 499 employees	
• 5 points for 500 or more employees		
6.2	What is the Firm's turnover? Score:-	5
	• 1 point for up to £100,000	
	• 2 points for up to £250,000	
	• 3 points for up to £500,000	

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	<ul style="list-style-type: none"> • 4 points for up to £1m • 5 points for more than £1m 	
6.3	Is there a robust and clear anti-bribery policy in place within the Firm? If no, score high.	1
6.4	Has the Firm's anti-bribery policy been communicated at all levels? If no, score high.	1
6.5	Is there a director or senior manager appointed to take responsibility for all anti-bribery measures within the Firm? If no, score high.	1
6.6	Are there robust internal financial controls in place in the Firm to monitor all payments and transactions? If no, score high.	1
6.7	Are there clear policies in place in the Firm in relation to hospitality, entertainment, promotional expenditure and expenses? If no, score high.	1
Total score (out of a possible 110)		27
Scoring Assessment:		
<p>A score of 67 to 110 indicates a high risk of bribery. Immediate steps need to be taken to counter the high risk and probability of bribery occurring. In certain cases, it may be necessary to stop certain operations or transactions occurring. The Firm will need to take urgent action in relation to specific high-risk areas identified above.</p>		
<p>A score of 45 to 66 indicates a medium risk of bribery. A full anti-bribery policy needs to be in place and training rolled out at all levels. Such training should be given to employees and associated persons, including agents, consultants and temporary workers working on behalf of the Firm in the UK and overseas. Leadership is required from the directors to ensure full engagement and compliance. The Firm should ensure that clear reporting mechanisms are in place so that suspected bribery may be immediately dealt with. Specific high-risk areas identified above should be dealt with at the highest levels, preferably by directors as an urgent priority.</p>		
<p>A score of 22 to 44 indicates a low risk of bribery. Where there is a low risk on the basis of the risk factors identified above, steps will be taken to ensure that there are adequate procedures in place to counter bribery. This may include a written policy that is available to all employees and associated persons working on behalf of the Firm and regular audits of key financial processes, including expenses and hospitality. The Firm should keep its risk assessment under review and take appropriate steps should a bribery risk emerge.</p>		
<p>Information on global corruption can be found at Transparency International - www.transparency.org</p>		

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ANNUAL BRIBERY RISK ASSESSMENT QUESTIONNAIRE

	RISK TYPE	YES	NO	MITIGATING FACTORS
	Country Risk (NB. You may wish to use the scoring system per the initial risk assessment or rework the initial assessment where you have answered “Yes” to any of the questions below)			
1.	Since the initial or last annual bribery risk assessment has the Firm or its agents continued or started trading or doing business in a country with known corruption problems?		x	If yes, go to question 2. If no, the risk is low, and go to question 5.
2.	Are there any anti-corruption / bribery laws in that country? Check to the internet e.g. OECD Anti-Bribery Convention and www.transparency.org .			If yes, go to question 3. If no, go to question 4.
3.	Are these being applied effectively in the countries in which the Firm trades or does business? Check website OECD Anti-Bribery Convention and www.transparency.org .			If yes, then the risk is low. If no, or not sure, go to question 4.
4.	If there are no effective anti-corruption / bribery laws, or if they are not being applied in the countries in which the Firm does business, does the Firm have to deal with any public officials in those countries?			If no, check (A) to (F) in the list of mitigating factors in Appendix B at the foot of this questionnaire. If yes, check mitigating factors (A) to (H) below, and then go to question 5.

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Sector Risk / Business Risk (NB. You may wish to use the scoring system per the initial risk assessment or rework the initial assessment where you have answered “Yes” to any of the questions below)				
5.	Since the initial or last annual bribery risk assessment has the Firm or its agents continued or started trading or doing business in a sector that has a higher risk of bribery and corruption? See list of high risk sectors in	x		If yes, go to question 6. If no, the risk is low, and go to question 8.
6.	Does the Firm or its agents undertake lavish hospitality with a view to procuring business?			If no, go to mitigating factors (I) to (K) below. If yes, go to question 7.
7.	Would the lavish hospitality be in breach of that stipulated in the Bribery Act?			If no, state reasons why, or go to mitigating factors (I) to (K) below, and then go to question 8.
Transaction Risks (NB. You may wish to use the scoring system per the initial risk assessment or rework the initial assessment where you have answered “Yes” to any of the questions below)				
8.	Since the initial or last annual bribery risk assessment has the Firm or its agents continued or made any charitable or political contributions?	x		If yes, go to mitigating factors (L) to (O) below, and then go to question 9. If no, go to question 9.
9.	Does the Firm have to obtain licences or permits?		X	If yes, go to mitigating factors (L) to (O) below, and then go to question 10. If no, go to question 10.
10.	Is the Firm’s business reliant on public or other procurements?		X	If yes, go to mitigating factors (L) to (O) below, and then go to question 11. If no, go to question 11.

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Business Opportunity Risks (NB. You may wish to use the scoring system per the initial risk assessment or rework the initial assessment where you have answered “Yes” to any of the questions below)				
11.	Since the initial or last annual bribery risk assessment has the Firm or its agents continued to be involved with, or been newly involved in, high value projects?	<input checked="" type="checkbox"/>		If yes, go to 12. If no, go to question 14.
12.	Are there competing contractors / intermediaries involved in the contract?	<input type="checkbox"/>		If no, go to question 13. If yes, go to mitigating factors (P) to (S) below, and then go to question 13.
13.	Are the projects undertaken at prices other than market value, or do they not appear to have any legitimate objective?	<input type="checkbox"/>		If yes, go to mitigating factors (P) to (S) below, and then go to question 14. If no, go to question 14.
Business Partnership Risk (NB. You may wish to use the scoring system per the initial risk assessment or rework the initial assessment where you have answered “Yes” to any of the questions below)				
14.	Since the initial or last annual bribery risk assessment has the Firm continued to use, or started to use, agents / intermediaries in foreign transactions?	<input checked="" type="checkbox"/>		If yes, go to mitigating factors (T) to (U) below, and then go to question 15. If no, go to question 15.
15.	Since the initial or last annual bribery risk assessment has the Firm continued to use, or started to use, agents / intermediaries in transactions with foreign public officials?	<input checked="" type="checkbox"/>		If yes, go to mitigating factors (T) to (U) below, and then go to question 16. If no, go to question 16.
16.	Since the initial or last annual bribery risk assessment has the Firm continued to use, or started to use, consortia or joint venture partners in foreign transactions with foreign entities or foreign public officials?	<input checked="" type="checkbox"/>		If yes , go to mitigating factor (V) below, and then go to question 17 If no, go to question 17.

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17.	Since the initial or last annual bribery risk assessment has the Firm continued or started a business relationship with a politically exposed person linked to a prominent foreign public official?		x	If yes, go to mitigating factors (W) to (X) below. If no, the risk is low.
				See Appendix B for Mitigating Factors

**SLATER INVESTMENTS LIMITED
ANNUAL BRIBERY RISK ASSESSMENT QUESTIONNAIRE
SECTORS CONSIDERED TO BE RISKY**

1. Oil & Gas
2. Life Sciences
3. Consumer Products
4. Technology
5. Real Estate
6. Automotive
7. Telecoms
8. Asset Management
9. Banking & Capital Markets
10. Government and Mining & Metals

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MITIGATING FACTORS

1.	GENERAL MITIGATING FACTORS
4 (A)	The Firm undertakes business in this / these countries only with reputable, internationally-known companies.
(B)	The companies with which the Firm does business in this / these countries are audited by international firms of auditors.
(C)	The client/s has/have been checked thoroughly by an independent vetting agency.
(D)	The Firm has checked with the Foreign Office whether there are any reasons why it should not do business in that country or with that particular client.
(E)	The Firm only deals with clients who are satisfactorily regulated in that country by a professional body or regulatory authority which is recognised as being satisfactory per the JMLSG website or similar for equivalent jurisdictions.
(F)	The firm ensures that all dealings with the client in that country are transparent and the Firm can demonstrate its compliance with its anti-Bribery policy.
(G)	The public official is only a junior official who has no influence or powers to make decisions that could affect the Firm's ability to do business in that country.
(H)	The public official has the power to make and influence decisions that could affect the Firm's ability to do business within that country, but the Firm is transparent in its dealings with that official.
2.	SECTOR RISK MITIGATING FACTORS These may have to be considered on a client by client basis. Other mitigating factors not listed may also exist.
6 (I)	The Firm only undertake hospitality within the permitted policies and procedure of the firm. Any high expenditure on hospitality by the Firm or its agents would have to be pre-approved and be transparent.
(J)	The Firm is closely monitored by a government department in the sector it trades in.
(K)	The Firm is audited by a nationally or internationally-renowned firm of accountants.

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MITIGATING FACTORS

3.	TRANSACTION RISK MITIGATING FACTORS These may have to be considered on a client by client basis. Other mitigating factors not listed may also exist.
9(L)	The obtaining of licences or permits / royalties are not critical to the Firm's ability to do business in that country.
(M)	The Firm plans well in advance to ensure it is able to obtain appropriate licences or permits without requiring special treatment such as fast-tracking of the application.
(N)	The Firm is reliant on Public Procurement but is transparent in its bid process, once the bid decision has been made whether successful or not.
(O)	The procuring department publishes all tender bid prices and announces why it has given the contract to a particular tender.
4.	BUSINESS RISK MITIGATING FACTORS These may have to be considered on a client by client basis. Other mitigating factors not listed may also exist.
12 (P)	The Firm relies on its own abilities, expertise, workmanship and reputation to not be too threatened by competitors.
(Q)	The Firm operates in a niche market where it does not have any direct competitors.
(R)	The Firm's costing structure for projects is transparent and allows for contingencies.
(S)	The Firm ensures that any engagement or contract that it undertakes is transparent in that the reasons for applying and taking on the business is for legitimate reasons.
5.	BUSINESS PARTNERSHIP RISK MITIGATING FACTORS These may have to be considered on a project by project basis. Other mitigating factors not listed may also exist.
14(T)	The agents / intermediaries are thoroughly vetted and are considered to be fit and proper and beyond reproach.

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MITIGATING FACTORS**

(U)	The work undertaken by the agents / intermediaries is vetted and expenditure is pre-approved in line with the Firm's policies and procedures.
(V)	The joint venture / consortia have been thoroughly vetted and are considered to be fit and proper and beyond reproach.
(W)	The politically exposed person has no influence with the public official.
(X)	The prominent public official has no influence in the business area in which the Firm does business.