

Anti Corruption Policy

1.0 Introduction

- 1.1** This policy sets out the general rules and principles to which we adhere. It has been adopted by the Royal Mint and will be communicated to all businesses, employees, agency workers, consultants or any other worker, full or part time, overseen by the Royal Mint, as well as relevant third party representatives and other necessary individuals and entities. Those who work in areas within our business identified as being particularly high risk will receive additional training and support in identifying and preventing corrupt activities.
- 1.2** The Royal Mint is committed to conducting business honestly, and without corruption, or acts of bribery as they will be referred to throughout the rest of this policy, to obtain an unfair advantage. This commitment must be reflected in every aspect of the way in which we operate. Bribery is a criminal offence and harms the societies in which these acts are committed and prevents economic growth and development.
- 1.3** The Royal Mint attaches the utmost importance to this policy and will apply a “zero tolerance” approach to acts of bribery by any of our employees or third party representatives. Any breach of this policy will be regarded as a serious matter by the Royal Mint and is likely to result in disciplinary action up to and including summary dismissal. Please refer to the Royal Mint’s disciplinary policy for more details.
- 1.4** No employee will suffer any adverse consequences for refusing to pay bribes even if such refusal may result in the Royal Mint losing business.
- 1.5** This policy will be reviewed and updated periodically by the Royal Mint.

2.0 What is bribery?

- 2.1** Bribery can broadly be defined as the offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal or a breach of trust.

3.0 What is a bribe?

- 3.1** Bribes can take on many different shapes and forms, but typically they involve corrupt intent. There will usually be a ‘*quid pro quo*’ – both parties will benefit. A bribe could be:
- the direct or indirect promise, offering, or authorisation, of anything of value;
 - the offer or receipt of any loan, fee, reward, or other advantage;
 - the giving of aid, donations or voting designed to exert improper influence.

4.0 Who can engage in bribery?

4.1 In the eyes of the law, bribery can be committed by:

- an employee, officer or director of the Royal Mint;
- any person acting on behalf of the Royal Mint (e.g. third party representatives);
- individuals and organisations where they authorise someone else to carry out these acts.

5.0 What the law says

5.1 The Bribery Act 2010 not only makes bribery illegal, but also holds UK companies liable for failing to prevent such acts by those working for or on its behalf, no matter where in the world the act takes place. It is therefore in your interests, as well as those of the Royal Mint that you act in accordance with this policy.

5.2 The Bribery Act 2010 has created 4 general bribery offences.

1. The offence of bribing another person;
2. The offence of being bribed;
3. The offence of bribing a foreign public official; and
4. The offence of failing to put in place adequate procedures to prevent bribery.

1. The offence of bribing another person

A person (P) will be guilty of an offence where they offer, promise or give a financial or other advantage to another person in two cases:

Case 1 – where P intends the advantage to bring about an improper performance of a “relevant function or an activity” by another person or to reward such improper performance or activity. It does not matter whether the person to whom the advantage is, offered, promised or given is the same person as the person who is to perform or has performed the relevant function/activity.

Case 2 – where P knows or believes that the acceptance of the advantage offered, promised or given, in itself, constitutes the improper performance of a relevant function or activity.

Relevant function/activity includes:

- all functions of a public nature;
- any activity performed in the course of a person’s employment;
- all activities connected with a business;
- any activity performed by or on behalf of a body of persons;

whether or not the relevant function or activity has a connection with the UK and is being performed in a country or territory outside the UK.

There must be an expectation that the person performing the relevant function or activity performs them in good faith or impartially or that the person is in a position of trust.

2. The offence of being bribed

A recipient (“R”) will be guilty of an offence in the following cases:

Case 3 - where R requests, agrees to receive or accepts a financial or other advantage and intends that a relevant function or activity will be performed improperly (whether by R or another person).

Case 4 – where R requests, agrees to receive or accepts a financial or other advantage which in itself constitutes the improper performance by R of a relevant function or activity. It does not matter whether R knows or believes that the performance of the relevant function or activity is improper.

Case 5 – where R requests, agrees to receive or accepts a financial or other advantage as a reward for the improper performance (whether by R or another person) of a relevant function or activity. It does not matter whether R knows or believes that the performance of the relevant function or activity is improper.

Case 6 – where R (or another person, where R assents or acquiesces in it) improperly performs a relevant function or activity in anticipation of or in consequence of R requesting, agreeing to receive or accepting a financial or other advantage. It does not matter whether R knows or believes that the performance of the relevant function or activity is improper. Where the relevant function or activity is performed by another person it is immaterial whether that person knew or believed that the performance of the relevant function or activity is improper.

In all of the above cases, it does not matter whether it is R, or someone else through whom R acts, who requests, agrees to receive or accepts the advantage, Neither does it matter whether the advantage is (or will be) for the benefit of R or another person.

3. The offence of bribing a foreign public official

A person (“P”) is guilty of an offence if P bribes a “foreign public official” (“F”) only if P, directly or through another person, offers, promises or gives any financial or other advantage to F or another person at F’s request or with F’s assent or acquiescence and F is neither permitted nor required by a written law applicable to F to be influenced in F’s capacity as a foreign public official by such an offer, promise or gift.

It does not matter whether the offer, promise or gift is made directly to F or via a third party and P must intend to influence F in the performance of F’s public function and must intend to obtain or retain business or another advantage.

Foreign public official means an individual who:

- holds a legislative, administrative or judicial position of any kind in a country or territory outside the UK; or
- exercises a public function for or on behalf of a country or territory outside the UK or for any public agency or public enterprise of that country or territory; or
- is an official or agent of a public international organisation.

4. The offence of failing to put in place adequate procedures to prevent bribery.

The Royal Mint Ltd must be able to demonstrate that it has in place adequate procedures to prevent persons associated with it from engaging in any form of bribery.

6.0 Where do the bribery risks typically arise?

6.1 Bribery risks typically fall within the following categories:

A Use of Third Party Representatives

The definition of a third party is broad, and could include agents, distributors, consultants and suppliers. Whilst the use of third parties can help us reach our goals, we need to be aware that these arrangements can potentially present the Royal Mint with significant risks.

Risks can be identified where a third party conducts business activities on the Royal Mint's behalf, so that the result of their actions can be seen as benefitting the Royal Mint. Third parties who pose significant risks and act on the Royal Mint's behalf must operate at all times in accordance with this policy. Local management is responsible for the evaluation of each third party relationship and determining whether or not it falls into this category.

Where a risk regarding a third party arrangement has been identified, local management must:

- evaluate the background, experience, and reputation of the third party;
- understand the services to be provided, and methods of compensation and payment such as commission payments;
- evaluate the business rationale for engaging the third party;
- take reasonable steps to monitor the transactions of third parties appropriately;
- ensure there is a written agreement in place which acknowledges the third party's understanding and compliance with this policy.

The Royal Mint is ultimately responsible for ensuring that third parties who pose significant risks are compliant with this policy as well as any local laws. Ignorance or "turning a blind eye" is not an excuse. As the third party evaluation process will vary by business unit and type of third party, local management should consult in the first instance with a line manager at Senior Manager or above, who will make available guidelines, principles and methodologies for the evaluation and vetting of third parties.

B Gifts, Entertainment and Hospitality

This section should be read in conjunction with the Royal Mint's Gifts and Hospitality Policy.

Gifts, entertainment and hospitality include the receipt or offer of gifts, meals or tokens of appreciation and gratitude, or invitations to events, functions or other

social gatherings, in connection with matters related to our business. These activities are acceptable provided they fall within reasonable bounds of value and occurrence.

How to evaluate what is ‘acceptable’:

First, take a step back and ask yourself the following:

- what is the intent – is it to build a relationship or is it something else?
- how would you look if these details were on the front of a newspaper?
- what if the situation were to be reversed – would there be a double standard?

If you find it difficult to answer one of the above questions, there may be a risk involved which could potentially damage the Royal Mint’s reputation and business. The action could well be unlawful.

No two situations are the same and the rules concerning the acceptance of gifts and hospitality as set out in the Royal Mint’s Gifts and Hospitality Policy apply.

Transparency is key

Each Department will be required to establish, maintain and monitor a gifts, entertainment and hospitality register. Any form of gift, entertainment or hospitality – given, received or offered – which meets or exceeds the lower limit must be appropriately recorded on the Control Sheet in the manner set out in the Royal Mint’s Gifts and Hospitality Policy.

C Facilitation Payments

In many countries, it is customary business practice to make payments or gifts of small value to junior government officials in order to speed up or facilitate a routine action or process. It may be that we need to obtain licences or permits faster than the normal course; or, we may need lawfully to import or export materials.

Despite this, facilitation payments as defined here are against this policy and we take the view that they are illegal within the UK as well as within most countries in which we operate. Current and forthcoming UK legislation makes no distinction between facilitation payments and bribes – regardless of size or local cultural expectations, even if that is “how business is done”.

However, in the event that a facilitation payment is being extorted, or if you are forced to pay under duress or faced with potential safety issues or harm, such a payment may be made, provided that certain steps are followed. If you are ever placed in such a situation, you must contact Robert Saunders as soon as possible and you must record the payment appropriately within the Royal Mint’s books and records to reflect the substance of the underlying transaction.

If you are unsure whether certain payments which resemble the definition of facilitation payments are permissible, please contact Robert Saunders.

7.0 What steps can we take to prevent bribery?

7.1 We can take the following steps to assist in the prevention of bribery:

A Risk Assessment

Effective risk assessment lies at the very core of the success or failure of this policy. Risk identification pinpoints the specific areas in which we face bribery risks and allows us to better evaluate and mitigate these risks and thereby protect ourselves. Business practices around the world can be deeply rooted in the attitudes, cultures and economic prosperity of a particular region. The nature of the transactions entered into by or on behalf of the Royal Mint e.g. licences and permits or the involvement of intermediaries must also be taken into account when assessing the risks faced by the Royal Mint. It is therefore essential that the Royal Mint keeps up to date with the bribery risks it faces in the sectors and markets within which it operates.

B Due Diligence

If the Royal Mint is to effectively combat/prevent bribery we need to: know who we are doing business with; why, when and to whom we are releasing funds to; and, in certain circumstances, seek reciprocal anti-bribery agreements. Employees should make the following enquiries before embarking on a particular business venture:

- the risk of bribery in a particular country where the Royal Mint is seeking a business relationship;
- the risks that a particular business opportunity could give rise to;
- the reputations of individuals or organisations involved in key decisions (e.g. intermediaries or joint venture partners).

We must also ensure that we maintain accurate books, records and financial reporting within all of the Royal Mint's Departments and for all third party representatives working on our behalf. Our books, records and overall financial reporting must also be transparent. That is, they must accurately reflect each of the underlying transactions. False, misleading or inaccurate records of any kind could potentially damage the Royal Mint.

C Effective Monitoring and Internal Control

Our businesses must all maintain an effective system of internal control and monitoring of our transactions. Once bribery risks have been identified and highlighted, procedures can be developed in order to help mitigate these risks on an ongoing basis.

8.0 How to raise a concern

8.1 As individuals who work on behalf of the Royal Mint we all have a responsibility to help detect, prevent and report instances not only of bribery, but also of any other suspicious activity or wrongdoing. The Royal Mint is absolutely committed to ensuring that all of us have a safe, reliable, and confidential way of reporting any suspicious activity. We want each and every one to know how they can "speak up". The Royal Mint is also fully aware of and committed to the protection offered to employees under the Public Interest Disclosure Act 1998.

8.2 If you have a concern regarding a suspected instance of bribery, please speak up – your information and assistance can only help. The sooner you act, the better for you and for the Royal Mint.

- 8.3** If you are concerned that a corrupt act of some kind is being considered or carried out – either within the Royal Mint, by any of our third parties or by any of our competitors – you must report the issue/concern to a line manager at Senior Manager or above in the first instance. If, for some reason, it is not possible to speak to a line manager, please then report it to Robert Saunders.
- 8.4** If you are not comfortable with speaking directly to a colleague or anyone mentioned above, the Royal Mint is introducing an anonymous online reporting facility for all employees and third parties to use. Details of this will be communicated separately.
- 8.5** In the event that an incident of bribery or wrongdoing is reported, we will act as soon as possible to evaluate the situation. If you have any questions about these procedures, please contact Robert Saunders.