

## HSM Anti-Corruption and Bribery Code of Practice

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### Policy statement

It is the policy of Hoddell Stotesbury Morgan Ltd - aka HSM Ltd - (the '**Firm**') to conduct business in an honest and ethical manner. As part of that, the Firm adopts a zero-tolerance approach to bribery and corruption. It is committed to acting professionally, fairly and with integrity in all its business dealings and relationships, wherever it operates, and implementing and enforcing effective systems to counter bribery.

### Purpose

The Firm will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which it conducts business. This includes, within the UK, the Bribery Act 2010 (the '**Act**'), which applies to conduct both in the UK and abroad.

### Scope and applicability

This policy applies to all people working for or on behalf of the Firm at all levels and grades, whether permanent, fixed-term or temporary, and wherever located. This includes consultants, contractors, seconded staff, casual staff, agency staff, volunteers, agents, sponsors and any other person who performs services for or on behalf of the Firm - collectively referred to as '**Workers**' for the purposes of this Code of Practice (the '**Code**').

For the purposes of the Code, a '**Third Party**' means any individual or organisation that Workers come into contact with during the course of work and the running of the Firm's business. This includes actual and potential clients, intermediaries, referrers of work, suppliers, distributors, business contacts, agents, advisers, government and public bodies (including their advisers, representatives and officials), politicians and political parties.

### What is bribery?

A bribe is an inducement or reward offered, promised or provided in order to improperly gain any commercial, contractual, regulatory or personal advantage, which may constitute an offence under the Act, namely:

- giving or offering a bribe;
- receiving or requesting a bribe; or
- bribing a foreign public official.

The Firm may also be liable under the Act if it fails to prevent bribery by an associated person (including, but not limited to Workers) for the Firm's benefit.

### Gifts and hospitality

The Code does not prohibit normal and appropriate gifts and hospitality (given and received) to or from Third Parties unless otherwise specifically stated. However, the Firm has internal policies and procedures which provide guidance to Workers as to what is to be regarded as normal and appropriate gifts and hospitality in terms of financial limits. These are subject to the principles set out below (the '**Overriding Principles**'), and any gift or hospitality:

- must not be made with the intention of improperly influencing a Third Party or Worker 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;
- must comply with local law in all relevant countries;
- must be given in the name of the organisation, not in an individual's name;
- must not include cash or a cash equivalent;
- must be appropriate in the circumstances;
- must be of an appropriate type and value and given at an appropriate time (taking into account the reason for the gift);
- must be given openly, not secretly; and
- in the case of gifts, they must not be offered to, or accepted from, government officials or representatives, politicians or political parties, without the prior approval of the Firm's Anti-Bribery Compliance Director.
- when received, gifts, hospitality, entertainment and expenses of an inappropriate or excessive nature must be declared.

The Firm appreciates that the practice of giving business gifts 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 both in the UK and any other relevant country. The intention behind the gift should always be considered.

### What is not acceptable?

It is not acceptable for any Worker (or someone on their behalf) to:

- give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that they or the Firm will improperly be given a business advantage, or as a reward for a business advantage already improperly given;
- 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;
- accept payment from a Third Party where it is known or suspected that it is offered or given with the expectation that the Third Party will improperly obtain a business advantage;
- accept a gift or hospitality from a Third Party where it is known or suspected that it is offered or provided with an expectation that a business advantage will be improperly provided by the Firm in return;
- threaten or retaliate against another Worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- engage in any activity that might lead to a breach of the Code;
- engage in 'price-fixing' to create or participate in a cartel or monopoly arrangement
- fail to declare a conflict of interest

### Facilitation payments and "kickbacks"

The Firm will not make nor will it accept, facilitation payments or "kickbacks" of any kind. An example would be small, unofficial payments made to secure or expedite a routine government action by an official, or payments made in return for a business favour or advantage.

## Charitable Donations and Sponsorship

The Firm only makes charitable donations and provides sponsorship that are legal and ethical under local laws and practices.

## Record keeping

The Firm keeps appropriate financial records and has appropriate internal procedures which evidence the business reason for gifts, hospitality and payments made or received.

## Responsibilities and raising concerns

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Firm or under its control. All Workers are required to avoid any activity that might lead to a breach of the Code.

Workers are required to notify the Firm as soon as possible if it is believed or suspected that a conflict with the Code has occurred or may occur in the future. If they are offered a bribe, are asked to make one, suspect that this may occur in the future, or experience another form of unlawful activity then this must be immediately reported to the Firm's Anti-Bribery Compliance Director.

Any employee who breaches this policy may face disciplinary action, which could result in dismissal for gross misconduct. The Firm reserves the right to terminate a contractual relationship with non-employee Workers if the Code is breached.

If any Third Party is aware of any activity by any Worker which might lead to, or suggest, a breach of the Code, they should raise their concerns with the Firm's Anti-Bribery Compliance Director, Paul Yeadon [cpy@hsmuk.com](mailto:cpy@hsmuk.com) or with fellow Director Richard Harding [rjh@hsmuk.com](mailto:rjh@hsmuk.com).

## Training and communication

Training on the Code is provided for all Workers. The Firm's zero-tolerance approach to bribery and corruption will, where appropriate, be communicated to clients, suppliers, contractors and business partners.

## Monitoring and review

The Firm has determined that its normal business activities give rise to very low level of risks of bribery and corruption. However, it monitors the effectiveness and reviews the implementation of the Code, considering its suitability, adequacy and effectiveness. Internal procedures are subject to regular review to counter risks of bribery and corruption.

All Workers are aware that they are responsible for the success of the Code and should ensure they use it to disclose any suspected danger or wrongdoing.

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