

Parmenion

Anti-bribery and corruption policy

September 2023

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1. Introduction

Corruption is the misuse of a trusted position for illicit private gain. Corruption can include a wide range of offences such as extortion, fraud, theft, or bribery.

Bribery is defined as “giving someone a financial advantage or other advantage to encourage that person to perform their functions or activities improperly or to reward them for already having done so.”

The Bribery Act (“The Act”) provides three general bribery offences:

- Offering, promising, or giving a bribe.
- Requesting, accepting, or agreeing to receive a bribe; and
- Bribing a foreign public official.

The Act is broad enough to include virtually all companies that do business in the UK. While the Act applies directly to individuals with a close connection to the UK (citizens, residents or companies incorporated in the UK), it also applies to individuals and companies outside the UK, if any part of the bribe takes place in the UK.

The Act views the conduct of senior level employees as attributable to the company. When a business fails to prevent an “associated person” from committing an act of bribery, it can be charged. A company that conducts part of its business in the UK can be liable if any person who performs services for that company makes a bribe anywhere in the world for the company’s benefit, even if the bribe is unconnected to the business conducted in the UK.

Being involved in any form of bribery or corruption will have serious implications for any employee or third-party, sub-contractor or adviser involved with Parmenion.

This document, along with third-party agreements, Whistleblowing Policy, Gifts and Hospitality Policy, Risk Management Policy, and Code of Conduct documents, form the basis of our procedures in preventing Bribery and Corruption.

Bribing Another Person

A person is guilty of an offence if he or she “offers, promises or gives a financial or other advantage to another person,” intending that advantage “to induce the person to perform improperly a relevant function or activity” or to reward a person for such behaviour.

The Act states that a function or activity is “performed improperly” if it is breach of a “relevant expectation.” This is defined as what a reasonable person in the UK would expect in relation to the performance of the type of function or activity concerned.

Being Bribed

A person is guilty of this offence if he or she requests, agrees to receive, or accepts financial or other advantage intending that, in consequence, a relevant function or activity should be performed improperly. Bribery is the offering, promising, giving, accepting, or soliciting of a financial or other advantage (often on an undisclosed or secret basis) as an inducement or reward for an action which is illegal, improper or a breach of trust.

Facilitation Payments

These are small payments made to secure or speed up routine actions, usually by public officials, or a breach of trust.

Bribery of a Foreign Public Official

Companies and individuals can be prosecuted for engaging in such activities outside the UK in countries where bribery may be commonplace.

Failure of Commercial Organisation to Prevent Bribery

The business is itself guilty of an offence if a “person associated with that organisation” bribes another person intending to obtain or retain business.

2. Key Points

Parmenion’s governing body will organise and control the company’s affairs responsibly and effectively to meet the company’s corporate governance and regulatory requirements.

Queries about this policy should be referred to the following for further advice or assistance:

FAO Matthew Tyrer
Parmenion Capital Partners LLP
Aurora
Counterslip
Bristol
BS1 6BX

Telephone: 0345 519 0100

Email: financialcrimeanddataprotection@parmenion.co.uk

Prevention of Financial Crime

Staff members must adhere to the policies and procedures designed to protect the company from doing business with members involved in criminal activity in accordance with Parmenion’s Anti-Money Laundering Policy.

Raising Concerns

Parmenion aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. Staff are encouraged to raise concerns about issues or suspicion of malpractice at the earliest possible stage. Staff should refer to Parmenion’s Whistleblowing policy.

Breaches of the Policy

Allegations regarding potential breaches of this policy will be treated in confidence. Staff who make such allegations in good faith will not be victimised or treated less favourably as a result.

False allegations which are found to have been made in bad faith will, however, be dealt with under Parmenion’s disciplinary procedures.

Parmenion takes a strict approach to breaches of this policy. Any staff member who is found to have committed an act in breach will be subject to disciplinary action. Such behaviour may constitute gross misconduct and, as such, may result in summary dismissal.

Roles and Responsibilities

Parmenion's governing body has overall responsibility for ensuring this policy complies with the Company's legal and ethical obligations and that all staff are aware of and understand it and are given adequate and regular training where appropriate.

All staff members are responsible for the success of this policy and should ensure it is used to disclose any suspected danger or wrongdoing.

Monitoring and Review

An internal compliance audit programme periodically monitors the effectiveness of this policy. gifts and hospitality received or donated are registered and monitored where there is a potential or perceived risk of conflict of interest.

Compliance reviews this Policy on a regular basis with any subsequent material changes approved by the Parmenion Executive Committee. This policy, along with Parmenion third party agreements, form our Bribery Act procedures to help ensure we comply with the legislative requirements.

3. Policy Purpose

This policy aims to:

- Spell out the key provisions of the Act.
- Emphasise that breaches of those provisions may get employees/associates into serious trouble.
- Expressly override any future management instructions which may breach the Act.
- Require employees to report any suspected breaches.
- Provide a good understanding of the act and its implications and how these affect employees/associates and their conduct.

4. Principles

Proportionality

Parmenion undertakes anti-bribery measures that remain proportionate to the bribery risks it faces and to the nature, scale, and complexity of the Parmenion's commercial activities.

Parmenion's anti-bribery processes are clear, practical, accessible, effectively implemented and enforced.

Top-level Commitment

Parmenion's senior management are committed to preventing bribery by persons associated with it and to foster a culture within Parmenion that bribery is never acceptable.

Risk Assessment

Parmenion undertakes periodic, informed, and documented assessments of the nature and extent of exposure to potential risks of bribery on Parmenion's behalf by persons associated with Parmenion.

Due Diligence

Parmenion applies proportional due diligence procedures in respect of persons who will perform services for or on behalf of Parmenion to mitigate identified bribery risks.

Communication

Parmenion seeks to ensure its bribery prevention policies are embedded and understood throughout the organisation and its associates through proportionate internal and external communication and training.

Monitoring and Review

Parmenion monitors and reviews processes designed to prevent bribery by persons associated with it and makes improvements where necessary.

5. Our Commitment

Parmenion will:

In all its dealings

- Comply with all applicable laws, rules, and regulations in the UK, as this is the only country in which it operates.
- Maintain effective procedures to prevent confidential information being misused and make it clear that the use of confidential information for personal and corporate gain will not be tolerated.
- Have a zero tolerance to bribery and corruption. Parmenion is committed to acting professionally, fairly and with integrity in its business dealings and relationships, implementing and enforcing effective systems to counter bribery.
- Oppose all forms of financial crime, adopt policies and procedures designed to protect it from doing business with persons involved in criminal activity, and have an Anti-Money Laundering Policy.

In its dealings with Advisers, Brokers, Correspondents, Service Providers and third parties

- Provide and promote a range of products and services, for which it is authorised, that meet our clients' needs and which are readily understandable.
- Operate effective complaints processes.
- Conduct business practices in a fair and transparent manner.

In its dealings with staff members

- Maintain a working environment that provides appropriate remuneration including benefits, training, and opportunities for personal development.
- Perform appropriate background checks on all new staff.
- Be intolerant of discrimination, harassment, bullying or victimisation.
- Recognise diversity in recruitment and dealings with staff members.
- Create a favourable environment in which the involvement of all staff is encouraged.
- Actively encourage staff to speak up about wrongdoing in the workplace in relation to breaches of laws and regulations and breaches of this policy as early as possible and encourage staff within the business to raise issues internally without fear or recrimination.
- Provide a clean, healthy, and safe work environment, stressing the obligation on all staff members to take every reasonable precaution to avoid injury to colleagues and members of the public.
- Maintain a policy that staff members must ensure that their personal interests do not conflict with the duties which are owed to the Company or other third parties.

6. Obligations of Parmenion Staff

Parmenion requires the highest possible standards of professional and ethical conduct from all staff and are expected to apply the following standards:

In all their dealings

- Engage in honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.
- Advance the business dealings of the company, having regard to Parmenion's values and standards, as set out in this policy and the Parmenion Code of Conduct.
- Comply with the spirit, not just with the letter of all relevant legal and regulatory requirements and of this policy. Breaches of the law, regulations, or this policy are not justified by the pursuit of profit, and activities are not made acceptable merely by the practice of competitors or others in the industry.
- Report to compliance as soon as reasonably practical any approach from any person, company, or government agency which the staff member suspects may be a bribe, facilitation payment or aimed at soliciting or offering personal payments or favours.
- Notify their line manager and/or the Chief Risk & Compliance Officer as soon as possible if a breach of this or the Gifts and Hospitality Policy has occurred, or is suspected or threatened; for example, an inducement to secure a business advantage with the company, or an indication that a gift or payment is required to secure business. Further examples of "red flag" risk scenarios that may indicate bribery or corruption and which require immediate notification are set out in section 10.

In their dealings with Advisers, Brokers, Correspondents, Service Providers and Third Parties

- Treat Advisers, Brokers, Correspondents, service providers and third parties fairly, openly, and honestly.
- Provide high standards of service.
- Treat information provided to the company during business in a responsible manner.
- Keep all information and data secure and confidential unless they require the information is required for business purposes or by governmental or other regulatory entities or by law.
- Maintain the highest possible standards of integrity in business relationships.
- Comply with agreed contractual terms binding on the company.
- Comply with Parmenion’s Conflict of Interest Policies and manage conflicts fairly.

7. Zero Tolerance

Parmenion has a zero tolerance to bribery and corruption and is committed to acting professionally, fairly and with integrity in its business dealings and relationships, implementing and enforcing effective systems.

Parmenion does not operate in high-risk business sectors and/or countries where it is more likely that bribery will take place. Parmenion’s business is predominantly conducted in the UK with appropriately regulated businesses. Parmenion has “adequate procedures” in place to prevent persons associated with the company from committing bribery and corruption offences , which are proportional to the assessed risks.

The zero tolerance to bribery extends to all the company’s business dealings. All staff members are required to follow the company policies and procedures in place to counteract bribery and corruption including conducting proper due diligence on third parties.

8. Third Parties

Parmenion communicates its anti-bribery policy and requirements to third parties with whom it has dealings, where appropriate, by the imposition of contractual terms.

Parmenion requires business counterparties to implement effective policies to counter bribery and corruption in their own dealings and those associated with the Company, especially where there is a significant investment or business relationship with us. No payments are made to any third party, which is not properly vouched and/or where the connection with the transaction cannot be satisfactorily explained.

Third parties include any individual or organisation doing business with the company, or with whom a staff member comes into contact during their work for the company, and includes clients, advisers, suppliers, distributors, business contacts, correspondents, agents, service providers, brokers and government and public bodies.

Parmenion does not make political donations or contributions to political parties and prohibits any such payments made in an attempt to influence any political decision or gain a business advantage.

Parmenion considers that charitable giving can form part of its wider commitment and responsibility to the community and supports charities selected in accordance with objective criteria. Parmenion may also support fundraising events involving staff.

Any such practices must be proportionate, reasonable, and made in good faith. The details of all charitable payments made by or on behalf of Parmenion must be recorded. This must include details of the recipient, payment method, purpose, amount of donation and the approver.

Senior managers must be fully aware of the corporate responsibility to prevent bribery. There is **personal liability** imposed by the Act on those “consenting to” or “conniving in” the offences. The maximum custodial sentence for an individual convicted of an offence of bribery is ten years, whilst a commercial business failing to prevent bribery could face an unlimited fine.

9. Gifts and Hospitality

Whilst the exchange of gifts and hospitality with business partners can build goodwill in business relationships, staff must always bear in mind that some gifts and hospitality can exert improper influence (or the appearance of improper influence) and might even be viewed as bribes.

In broad terms, a gift is an item or event which is given or received where the provider is not present. This could include money, goods, services, or loans given ostensibly as a mark of appreciation.

Hospitality means any event (other than an incidental meal or meeting) where the provider is present at the time. This could include entertaining, meals, receptions, tickets to entertainment, social or sports events, or participation in sporting events, to develop cordial relationships with business counterparties.

All staff must abide by the Gifts and Hospitality Policy, which provides detailed guidance as to what may or may not be acceptable, and the reporting and approval process which must be followed.

As a general principle all members of staff, if offered gifts or hospitality, should carefully consider the nature of the gift or hospitality offered, and whether it is appropriate given the business circumstances involved.

Our Gifts and Hospitality Policy includes the following requirements for all staff. This is not an exhaustive list, and all staff must consult the full Policy before accepting or providing any gifts or hospitality.

- Gifts and hospitality must be reasonable and proportionate in value and must be offered openly and with the knowledge or apparent approval of both the donor and recipient companies.
- Gifts and hospitality must be given or received without any expectation of advantage to be provided in return.
- Any offer or receipt of gifts or hospitality must comply with the thresholds and authorisation procedures set out in the Gifts and Hospitality Policy.

- Where there is any doubt whatsoever about whether something is appropriate, staff must refer to the Gifts and Hospitality Policy in the first instance and consult with Risk & Compliance if unsure.
- Ensure that payments made in the course of business to third parties including, suppliers, service providers and other intermediaries, are made against invoices or other proper documentation, through bona fide channels and in accordance with the Company's normal procedures as applicable.
- Seek authorisation and declare all gifts and hospitality.
- Ensure that all claims for reimbursement of expenses relating to company business, including hospitality, gifts or expenses incurred to third parties, are recorded, stating the reason for the expenditure, and are duly authorised by their line manager.
- Ensure that all accounts, invoices, memoranda and other documents and records relating to payments to third parties are prepared and maintained with strict accuracy and completeness.

No staff member will suffer demotion, penalty, or other adverse consequences for refusing to pay bribes even if such refusal may result in the company losing business.

If a staff member gives or receives a bribe the reputation of the company could be damaged and an unlimited fine imposed. The staff member could also personally be prosecuted and receive an unlimited fine or be sent to prison for up to 10 years. This matter would also be considered as a Parmenion disciplinary matter. If the employee is guilty, this is an act of gross misconduct and may result in the employee being summarily dismissed.

10. Potential Risk Scenarios – "Red Flags"

The following is a list of possible “red flag” risk scenarios that may arise during Company business, 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 an employee encounters any of these “red flags” whilst working for Parmenion, they must report them promptly to his/her line manager and/or the Chief Risk & Compliance Officer.

- The staff member becomes aware that a third party who does business with or for the company engages in, or has been accused of engaging in, improper business practices.
- The staff member learns that a third party who does business with or for the company has a reputation for paying bribes, or requiring bribes to be paid to it, or has a reputation for having an improper “special relationship” with government officials.
- 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.
- A third-party request that payment by the company is made to an entity other than that third-party or to a country or geographic location different from where the third-party resides or conducts business.
- A third-party request an unexpected additional fee or commission to “facilitate” a service.
- A third-party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services.
- A third-party requests that a payment is made to “overlook” potential legal obligations.
- As a condition for doing business with the company, a third-party request that a company staff member provide employment or other advantage to a friend or relative.
- A staff member receives an invoice from a third-party that appears to be non-standard or customised.
- A third-party refuses to put terms agreed in writing.
- A staff member notices that the company has been invoiced for a commission or fee payment that appears unusual, or large in relation to the service stated to have been provided.
- A staff member is offered an unusually generous gift or offered lavish hospitality by a third-party

Get in touch

If you'd like to chat to us about the contents of this document, please get in touch.

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