

## **GIFTS AND HOSPITALITY POLICY**

### **1 Background**

#### **1.1 Introduction**

Corporate hospitality is an important part of our business relationships and can provide valuable opportunities for developing an understanding of a client or partner's business, as well as gaining the insight necessary for an effective and successful working relationship and promotional opportunities.

However, London & Partners, our staff, our partners, clients and our suppliers must avoid any risk of allegations of bribery under the UK's Bribery Act 2010 which has very serious criminal and regulatory consequences.

This document (the 'Policy') provides policy on how to give or receive reasonable gifts and entertainment to and from (potential) partners, clients and contacts as well as (prospective) suppliers.

#### **1.2 Ownership of the policies**

The Board have reviewed and approved this policy which was developed by the CEO, COO and Executive team. The policy will be regularly reviewed by the COO.

#### **1.3 Compliance with the policies**

All directors and employees of London & Partners and any persons acting on behalf of L&P are required to comply with this policy.

#### **1.4 Authority levels**

Each individual is responsible for adhering to this policy and should consult as necessary with their Executive Director. They shall be responsible in the first instance for determining what is reasonable in terms of the frequency and nature of entertainment for an individual person (within the boundaries of the overall limits provided in sections 2 - 4). There are certain circumstances, detailed in this policy, where pre-approval is required by the CEO or COO.

#### **1.5 Enforcement**

Failure to adhere to this Policy has:

- *Disciplinary consequences:*

Where entertainment or gifts are provided, or accepted which breach this policy, the company may take such disciplinary action as appropriate (up-to and including dismissal).

- *Financial consequences:*

Where entertainment or gifts are provided in breach of this policy, the company shall refuse any amounts claimed through expenses, and shall seek a refund from the individual involved.

## **1.6 Reporting breaches**

If you have any concerns or suspicions about non-compliance with this Policy, you must report the matter to the COO.

Alternatively, matters can be reported through the company's HR whistle blowing procedure (on the intranet).

## 2 Provision of Gifts and Hospitality

Entertainment provided by London & Partners shall be appropriate and reasonable in terms of its cost, frequency and nature. Normal entertainment occurs during relationship building with clients and contacts, at events and exhibitions, during fam trips, press trips, sales missions and meetings in London & Partners offices.

The guidelines on expenditure detailed in the Travel and Expenses policy should be followed.

Items below £50 in total (e.g. catch up meeting over coffee) do not require prior approval. Items over this level up to £250 in total should be approved in advance in writing by the Executive team member responsible for the department providing the entertainment. Items over £250 should be approved in advance in writing by the CEO or COO.

When considering the appropriateness of any entertainment you should consider what position the individual holds as a (potential) partner, client contact or (prospective) supplier) and whether they would be unduly influenced as a result of entertainment. Be particularly careful if there is an events bid or supply contract tender underway as to whether it is appropriate for the recipient to receive the hospitality.

**All such expenses (including those below £50) must be coded as Business entertainment for accounts and review purposes.**

### 2.1 Dining

When dining with partners, clients, contacts, prospective clients or suppliers, London & Partners staff and associated persons shall exercise judgement on what is appropriate (for that relationship). It is accepted that there are circumstances where it is appropriate for London & Partners to pay for partners and others however wherever possible arrangements should be made so that this is not the case.

Overly lavish and extravagant dining with clients shall be avoided; a cost of **£25-50** (excluding VAT) per head is generally the upper limit of what is acceptable although advance approval from the CEO or COO may be sought for special cases above this amount.

### 2.2 Flights, travel and transportation

In certain circumstances, entertainment may require the (potential) partner, client, contact or (prospective) supplier to travel (rail, car or flights), either in the UK and/or abroad. Reasonable local car hire and some taxi costs can be incurred by London & Partners when arranging events however cars should not generally be booked to transport groups for a full day. Non-London & Partners individuals will be responsible for their own rail and flight travel costs to and from London and whilst in London or these should be arranged in advance and paid for by a partner, and London & Partners shall not pay for/reimburse any of these costs except in exceptional circumstances. In exceptional circumstances where it is justified for London & Partners to incur these expenses prior approval can be given by the relevant Executive Director.

For the avoidance of doubt, this does not prohibit the sharing of taxis where appropriate to do so. The provision of other communal transport such as coaches must be approved in advance by the relevant budget approver.

### **2.3 Sponsored events**

In certain circumstances the cost of an event, part of an event or travel expenses to or from an event may be paid for by a third party although the organisation of the event is performed by London & Partners. In this situation the organiser should consider the nature and appropriateness of the event even though London & Partners funds are not being used as the company will still be associated with the event by others.

### **2.4 Gifts**

Gifts to (potential) partners, clients, contacts and (prospective) suppliers are not generally permitted other than those of a token nature (e.g. a London & Partners branded item). There is a real danger of suggestions of bribery where a valuable gift is given. In the few countries where it is customary and expected to provide gifts, London & Partners staff and associated persons shall obtain approval from the relevant Budget Holder before making the gift. Any gifts shall comply with policy standards regarding value.

The cost of the gift(s) individually or cumulatively should not exceed **£50**, excluding VAT without prior approval from the CEO/COO.

#### **Exceptions to the Policy:**

Small presents for invited speakers are not defined as 'gifts' for the purposes of this policy. Nonetheless, care must be taken as to the appropriateness of such gifts and they should not exceed £50 (excluding VAT) without approval from the CEO or COO.

Donations and charitable giving, such as donating prizes to sponsored charities is also permitted when an individual/company chooses to waive their fee but such donations and the recipient should typically be at London & Partners' choosing (not directed by a non-London & Partners person) and advance approval from the CEO or COO should be obtained.

Prizes for promotional competitions (e.g. web surveys), or as a part of a marketing campaign activity are also acceptable. However prior approval should be sought from the relevant Executive Director.

### **2.5 Recording policy exceptions**

Where the Executive team and/or CEO approve an exception to this policy, the person responsible for the expense must keep a record of: (i) the details (recipient, amount, type) of the gift or entertainment, (ii) the reason for the approval and (iii) any other conditions pertaining to the approval. A copy of this should be attached to the invoice, credit card statement or expense claim as relevant.

## **3 Receipt of Gifts and Hospitality**

### **3.1 General Caution**

Treat with caution any offer or gift, favour or hospitality that is made to you. Your personal reputation and that of London & Partners can be seriously jeopardised if you inappropriately accept gifts or hospitality. Be aware of the wider situation in which the offer is made. For example staff should consider whether the donor is in, or may be seeking to enter into a commercial relationship with London & Partners. The receipt of gifts, benefits and hospitality can create conflicts of interest and may give rise to an adverse inference as to the integrity of either the donor or the recipient. London & Partners recognises that a refusal may cause embarrassment or offence but this must be balanced with your other responsibilities.

### **3.2 Guidelines and Principles**

Gifts and business entertainment offered to London & Partners staff and associated persons shall **meet the same general criteria as in Sections 2 in terms of reasonableness and appropriateness**. You should also ensure that you are comfortable that any gifts or entertainment received comply with the (potential) client's or (prospective) supplier's own policies. Nothing should be accepted which is or could give the impression of being a bribe or inducement.

In deciding whether it is appropriate to accept any gift or hospitality you must apply the following principles:

- Do not accept a gift or hospitality of significant value or whose value is excessive in the circumstances; do not accept a gift or hospitality if you believe it will put you under any obligation to the provider as a consequence; do not solicit any gift or hospitality and avoid giving any perception of so doing.
- You must be clear as to the value of the gift / hospitality at the time that you agree to accept it; where the actual value of a gift or hospitality is not known or is not reasonably obtainable, you must decide how much a person could reasonably be expected to pay for it at a commercial rate;
- Extra vigilance should be applied when considering accepting a gift or hospitality from parties involved in a competitive tendering or other procurement process with which London & Partners is involved or could be perceived to be involved.
- You should declare receipt of any gift or hospitality that an ordinary member of the public might reasonably deem to be significant (e.g. the identity of the provider or the wider context in which the item was provided), regardless of its formal cash value.

### **3.3 Gifts and Hospitality to be Declared**

**Gifts and hospitality with a value of £50 or more should be reported to the gifts and entertainment register.** If it is difficult to estimate the value, report the item anyway to avoid any doubt.

Details of items should be emailed to [giftsandhospitality@londonandpartners.com](mailto:giftsandhospitality@londonandpartners.com) providing the date, nature of gift or entertainment received and approximate value (estimate if necessary) as well as the business rationale. If you are not sure or it is difficult to estimate the value, report the item anyway to avoid any doubt.

You must forward the details within 28 days of receiving the gift or hospitality.

The register will be reviewed by the CEO on a six-monthly basis and by the Audit and Finance Committee annually.

Directors and all staff will be asked to declare annually that all declarations have been properly made or that no such declarations have been necessary.

You are not required to declare gifts and /or hospitality that have been offered but declined. However, you should report to your Executive Director (CEO in the case of Executive Directors), any offers you have declined that could be perceived as significant or controversial. The key criteria would be whether the offer was unusual and/or frequency and persistence of the offer. Such offers would not be published on the gifts and hospitality register; reporting of any such offers would, however, allow action to be taken corporately.

### **3.4 Gifts accepted on behalf of London & Partners**

On occasion gifts may be given to London & Partners that you accept formally on the company's behalf and are retained by the company and not by you personally. These gifts may be from representatives of other cities and nations and items commemorating an event or relationship. These gifts should be registered in the normal way.