



# **Anti-Bribery, Corruption & Money Laundering Policy**

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Responsibility: Envisage Managers & Staff

# **Anti-Bribery & Corruption (ABC) and Anti-Money Laundering (AML) Policy**

## **Anti-Bribery & Corruption**

Envisage is committed to the highest standards of ethical conduct and integrity in its business activities in the UK. This policy outlines Envisage's position on preventing and prohibiting bribery and corruption, in accordance with the Bribery Act 2010. Envisage will not tolerate any form of bribery or corruption activities by, or of, its staff, partners or consultants, and any person or body attempting to act on Envisage's behalf. The Envisage owner, David Ireson and his Envisage management team are committed to implementing effective ABC and AML measures to prevent, monitor and eliminate bribery, corruption and money laundering directly or indirectly involving Envisage and its staff.

## **Scope of this Policy**

This policy applies to all Envisage managers, staff, partners along with external consultants and advisors who may be employed or provide professional support to Envisage management (associated persons"). Every staff member and associated person acting for or supporting Envisage is responsible for maintaining the highest standards of business conduct and ethical behaviour. Any breach of this policy is likely to constitute a serious disciplinary, contractual and possibly a criminal matter for the individual concerned as it may constitute serious damage to the reputation and standing of Envisage and possibly subsequent associated criminal investigation.

Envisage may also face criminal liability for unlawful actions taken by its staff or associated persons under the Bribery Act 2010. All staff and associated persons are required to familiarise themselves and comply with this policy, including any future revisions of this document that may be issued based on good practice and current legislation.

This policy covers:

- the main areas of liability under the Bribery Act 2010
- the responsibilities of staff and associated persons acting for, or on behalf of Envisage
- the consequences of any breaches of this policy.

## **Bribery Act (2010)**

Envisage is committed to complying with the Bribery Act 2010 in its business activities undertaken within the UK and overseas. Under the Bribery Act 2010, a bribe is a financial or other type of advantage that is offered or requested with the:

- intention of inducing or rewarding improper performance of a function or activity; or
- knowledge or belief that accepting such a reward would constitute the improper performance of such a function or activity.

A relevant function or activity includes public, state or business activities or any activity performed in the course of a person's employment, or on behalf of another Company or individual, where the person performing that activity is expected to perform it in good faith, impartially, or in accordance with a position of trust.

A criminal offence will be committed under the Bribery Act 2010 if:

- an employee or associated person acting for, or on behalf of, Envisage offers, promises, gives, requests, receives or agrees to receive bribes
- an employee or associated person acting for, or on behalf of, Envisage offers, promises or gives a bribe to a foreign public official with the intention of influencing that official in the performance of his/her duties (where local law does not permit or require such influence)
- Envisage does not have the defence that it has adequate procedures in place to prevent bribery by its staff or associated persons

All staff and associated persons are required to comply with this policy, in accordance with the Bribery Act 2010.

## **What is prohibited?**

Envisage prohibits staff or associated persons from offering, promising, giving, soliciting or accepting any form of bribe. The bribe might be cash, a gift or other inducement to, or from, any:

- person or Company, whether a public or government official, official of a state-controlled industry, political party
- private person or Company, regardless of whether the employee or associated person is situated in the UK or overseas.

A bribe might be made to ensure that a person or Company improperly performs duties or functions (for example, by not acting impartially or in good faith or in accordance with their position of trust) to gain any commercial, contractual or regulatory advantage for Envisage in either obtaining or maintaining Company business, or to gain any personal advantage, financial or otherwise, for the individual or anyone connected with the individual.

This prohibition also applies to indirect contributions, payments or gifts made in any manner as an inducement or reward for improper performance, for example through consultants, contractors or sub-contractors, agents or sub-agents, sponsors or sub-sponsors, joint-venture partners, advisors, customers, suppliers or other third parties.

## **Keeping of Records**

Envisage staff and where applicable, associated persons, are required to take particular care to ensure that all Envisage records are accurately maintained in relation to any networking contracts and/or business activities that may lead to commercial activity, are accurately reflected by financial invoices and all payment transactions with clients, business partners, suppliers and public officials.

Recorded due diligence must always be undertaken by Envisage staff and associated persons prior to entering into any contract, arrangement or relationship with a potential supplier of services, agent, consultant or representative in accordance with Envisage's procurement and risk management procedures.

Staff and associated persons are required to keep accurate, detailed and up-to-date records of all corporate hospitality, entertainment or gifts accepted or offered.

## **Corporate Entertainment, Gifts, Hospitality and Promotional Expenditure**

Envisage permits corporate entertainment, small gifts (under equivalent value of £50), hospitality and promotional expenditure that is undertaken:

- for the purpose of establishing or maintaining good business relationships
- to improve the image and reputation of Envisage
- to present Envisage's services effectively

Provided that it is:

- arranged in good faith and recorded officially; logged or by email
- not offered, promised or accepted to secure an advantage for Envisage or any of its staff or associated persons or to influence the impartiality of the recipient

Envisage will authorise only reasonable, appropriate and proportionate entertainment and promotional expenditure. These permissible corporate activities applies to all Envisage staff and associated persons.

## **Procedure**

**Envisage** staff and where relevant, associated persons should submit requests for proposed hospitality and promotional expenditure well in advance of proposed dates to the Envisage Owner and /or the Envisage Management Team.

In any hospitality and promotional activity, Envisage staff are required to set out in writing:

- the objective of the proposed client entertainment or expenditure activity they will be attending
- the identity of those who will be attending directly relating to Envisage's business relationship
- details and rationale of the proposed activity or event

Envisage will approve business entertainment proposals only if they demonstrate a clear business objective and are appropriate for the nature of the Envisage business relationship. Envisage will not approve business entertainment where it considers that a conflict of interest may arise or where it could be perceived that there may be an undue influence or a business benefit being sought by Envisage or the hosting hospitality (for example prior to a tendering or undertaking a due diligence exercise).

Any gifts, rewards or entertainment received or offered from clients, public officials, suppliers or other business contacts should be reported immediately to Envisage owner, David Ireson, or a member of the Envisage Management Team. In certain circumstances, it may not be appropriate to retain such gifts or be provided with the entertainment and staff and associated persons may be asked to return the gifts to the sender or refuse the entertainment. An example would be where there could be a real or perceived conflict of interest with the business partner or hospitality host. As a general rule, small tokens of appreciation, such as flowers, a box of chocolates or a gift worth a value under £50.00, may be retained by staff but still needs to be reported and potentially approved by the Envisage Management Team.

If an employee or associated person wishes to provide gifts to suppliers, clients or other business contacts, prior written approval from the Envisage Management Team is required, together with details of the intended recipients, reasons for the gift and the business objective. These will be authorised only in limited circumstances.

Staff and, where applicable, associated persons must supply records and receipts, in accordance with Envisage's expenses policy.

### **Political Donations**

Envisage does not make donations, whether in cash, kind, or by any other means, to support any political parties or candidates. We recognise this may be perceived as an attempt to gain an improper business advantage.

### **Charitable donations**

Envisage considers that charitable giving can form part of its wider social commitment and responsibility to the community. Envisage may also support fundraising events involving staff. Envisage staff must be careful to ensure that charitable contributions are not used to facilitate and conceal acts of bribery.

### **What practices are permitted?**

This policy does not prohibit:

- normal and appropriate hospitality and entertainment with clients
- the use of any recognised fast-track process that is publicly available on payment of a fee.

Any such practices must be proportionate, reasonable and made in good faith. Clear records must be kept.

### **Risk Management**

Envisage has established detailed risk management procedures to prevent, detect and prohibit bribery. Envisage will conduct risk assessments for each of its key business activities on a regular basis and, where relevant, will identify staff or officers of Envisage who are in positions where they may be exposed to bribery.

## **Procedure**

Envisage will identify high-risk areas, for example tenders for work and those working on high-value projects. Envisage will:

- regularly monitor "at risk" staff and associated persons
- regularly communicate with "at risk" staff and associated persons
- undertake extensive due diligence of third parties and associated persons
- communicate its zero-tolerance approach to bribery to third parties, including actual and prospective customers, suppliers and joint-venture partners.

## **Reporting Suspected Bribery and Corruption**

Envisage depends on its staff and associated persons to ensure that the highest standards of ethical conduct are maintained in all its business dealings. Staff and associated persons are requested to assist Envisage and to remain vigilant in preventing, detecting and reporting bribery and corruption.

Staff and associated persons are encouraged to report any concerns that they may have to the Envisage management as soon as possible. Issues that should be reported include:

- any suspected or actual attempts at bribery or corrupt activities
- concerns that other staff or associated persons may be being bribed; or
- concerns that other staff or associated persons may be bribing third parties, such as clients or government officials.

## **Procedure**

Any such reports will be thoroughly and promptly investigated by a member of the Envisage Management Team in the strictest confidence. Staff and associated persons will be required to assist in any investigation into possible or suspected bribery or corrupt activities.

Staff will also be required to comply with Envisage's whistleblowing policy.

Staff or associated persons who report instances of bribery or corrupt activities in good faith will be supported by Envisage. Envisage will ensure that the individual is not subjected to detrimental treatment as a consequence of his/her report. Any instances of detrimental treatment by a fellow employee because an employee has made a report will be treated as a disciplinary offence.

An instruction to cover up wrongdoing is itself a disciplinary offence. If told not to raise or pursue any concern, even by a person in authority such as a manager, staff and associated persons should not agree to remain silent. They should report the matter to Envisage management.

When an individual report's suspected instances of bribery or corrupt activities, Envisage will process any personal data collected in accordance with its [GDPR Policy](#). Data collected from the point at which the individual makes the report is held securely and accessed by, and disclosed to, individuals only for the purposes of dealing with the report of bribery.

## **Action by Envisage**

Envisage will fully investigate any instances of alleged or suspected bribery or corrupt activities. Staff suspected of bribery or corrupt activities may be suspended from their duties while the investigation is being carried out. Envisage will invoke its disciplinary procedures where any employee is suspected of bribery or corrupt activities, and proven allegations may result in a finding of gross misconduct and immediate dismissal. Envisage may terminate the contracts of any associated persons, including consultants or other workers who act for, or on behalf of, Envisage who are found to have breached this policy.

Envisage may also report any matter to the relevant authorities, including the Director of Public Prosecutions, Serious Fraud Office, Revenue and Customs Prosecutions Office, Disclosure and Baring Service, and the police. Envisage will provide all necessary assistance to the relevant authorities in any subsequent prosecution.

## **Review of Procedures and Training**

Envisage will regularly communicate its anti-bribery and anti-corruption measures to staff and associated persons. Envisage will set up training sessions where applicable. The Envisage Management Team are responsible for the implementation of this policy.

The Envisage Management Team will monitor and review the implementation of this policy and related procedures on a regular basis, including reviews of internal financial systems, expenses, corporate hospitality, gifts and entertainment policies.

Staff and those working for, or on behalf of, Envisage are encouraged to contact The Envisage Management Team with any suggestions, comments or feedback that they may have on how these procedures may be improved.

Envisage reserves the right to amend and update this policy as required. For the avoidance of doubt, this policy does not form part of staff' contracts of employment.

## **Anti-Money Laundering**

### **Introduction**

Envisage is required under the Money Laundering Regulations 2017 to put in place appropriate systems and controls to forestall money laundering. This policy contains the procedures that we have developed in order to comply with these obligations.

Envisage will actively present and take measures to guard against being used as a medium for money laundering activities and terrorism financing activities and any other activity that facilitates money laundering or the funding of terrorist or criminal activities.

The Money Laundering Regulations require that an organisation has a Nominated Officer to ensure that there is up to date knowledge of issues relating to Anti Money Laundering throughout the organisation, implement appropriate policies and procedures and receive reports about suspicious activity. The Nominated Officer, the Money Laundering Reporting Officer (MLRO), for Envisage, it is Dave Ireson, Envisage Owner.

### **What is Money Laundering?**

Money laundering is the process through which proceeds of crime and their true origin and ownership are changed so that the proceeds appear legitimate. This includes concealing, disguising, converting, transferring or removing criminal property from the UK.

The anti-money laundering regime is designed to prevent our services being used by criminals. We all have an obligation to spot and report money laundering. Failure to meet these obligations can lead to criminal penalties, substantial fines and untold damage to Envisage's reputation.

### **How does money get laundered?**

Typically, money laundering involves three stages:

#### **1. Placement:**

The process of placing criminal property into the financial system. This might be done by breaking up large sums of cash into smaller amounts or by using a series of financial instruments (such as using digital banking, direct-debits, cheques or money orders) which can be deposited in different accounts and locations.

#### **2. Layering:**

The process of moving money that has been placed in the financial system in order to obscure its criminal origin. This is usually achieved through multiple complex transactions often involving complicated offshore company structures and trusts.

#### **3. Integration:**

Once the origin of the money is disguised it ultimately must reappear in the financial system as legitimate funds. This process involves investing the money in legitimate businesses and other investments such as property purchases or setting up trusts.

Typical signs of money laundering are:

- Obstructive or secretive clients
- Instructions outside our usual range of expertise, i.e. why is the client using us?
- Clients based a long way from us with no apparent reason for using us
- Instructions that change unexpectedly or for no logical reason especially where:
- The source of the money changes at the last moment
- You are asked to return money or send the money to a third party
- Loss making transactions where the loss is avoidable
- Transactions with no apparent logical, economic or legal purpose
- Large amounts of cash being used
- Money transfers where there is a variation between the account holder and signatory
- Large payment on fees with instructions terminated shortly after and the client requesting that the funds are returned

### **What is Suspicious Activity?**

Any activity outside the normal or expected activity should be considered unusual and must be investigated. Understanding the business or client profile is crucial. Unusual activity or transactions outside the established profile should be considered as a potential indicator of suspicious activity. Investigations should establish the reasons for the usual activity or transaction. This may either remove or confirm your suspicion. If it is confirmed, you must report it to the MLRO. Failure to do so is an offence that could result in five years imprisonment.

### **What to do if you have a suspicion?**

Report the concern or suspicion to the MLRO – Dave Ireson. Do not carry out the transaction or proceed unless you have consent from the MLRO. They will review the suspicion, and if required submit a Suspicious Activity Report (SAR) to the National Crime Agency (NCA). Once you have reported your suspicion, the MLRO, will send you an acknowledgment within 24 hours. If more information is required, the MLRO will request it from you.

If the MLRO gives you consent to proceed with a transaction, then that consent only applies to that specific transaction. If the client request further activities or transactions, further consent is required from the MLRO even if you do not have a suspicion.

### **Suspicious Activity Reporting (SAR)**

A Suspicious Activity Report (SAR) will be made to the National Crime Agency (NCA) as soon as the knowledge or suspicion that criminal proceeds exists arises.

The MLRO will be responsible for deciding whether or not the suspicion of illegal activity is great enough to justify the submission of a SAR.

### **Tipping Off**

In most jurisdictions it is an offence for someone to tip off (inform) a person suspected of money laundering that a SAR has been made or there this a money laundering investigation taking place. There are a number of defences and exceptions that apply, but in general a tipping off offence would occur when the action is likely to prejudice an investigation that is taking place.

A tipping off offence cannot be committed if a report has not been submitted and you liaise with clients or colleagues as part of your enquires into an unusual activity. However, you can not mention the word suspicious.

### **The Money Laundering Regulations (2017)**

The Money Laundering Regulations (2017), set administrative requirements which require every business to have systems and controls to forestall money laundering. These standards have been implemented through the Fourth European Anti – Money Laundering (AML) Directive into UK law, which was been updated in 2017 and is the basis for current AML legal framework post-Brexit.

### **Client Due Diligence (CDD)**

Client Due Diligence is:

- Identifying and verifying the client’s identity to a reasonable level of certainty. Envisage has established a “Know – your – client (KYC) Policy to verify the clients. Identities will be verified either online or face to face or by a combination of both.
- Identifying the beneficial owner where this is not the client.
- Obtaining details of the purpose and intended nature of the business relationship. All staff that meet or contact clients and potential clients of this company are required to acknowledge that the policy and procedures has been read and understood before meeting or contacting clients.
- Conducting ongoing monitoring of the business relationship. David Ireson will act as the Money Laundering Officer (MLRO) to co-ordinate the AML policies and procedures of the business. A risk-based approach will be taken to the monitoring of client tax and accounting affairs.

### **When do I have to conduct a CDD?**

You must carry out a CDD:

- Before you establish a business relationship with a client
- Before you carry out a one-off transaction with a client
- Where there is a reason to believe that CDD carried out in an existing client is inadequate
- Where the client’s identifying details (e.g. name and address) have changed
- Where the client has not been in regular contact with us
- Where someone is purporting to act on behalf of the client
- Where you suspect money laundering or terrorist financing

You must also identify the beneficial owner and verify them, but not solely based on Companies House register of beneficial ownership. You must obtain and verify the names of the corporate body, its registration number, registered address and principal place of business. Reasonable measures must also be taken to determine and verify the law to which it is subject, its constitution and the names of its board of directors and senior management.

### **How do I conduct CDD?**

You must start with assessing the risk of money laundering posed by the client and complete a risk assessment. Once this is complete, you must decide what level of CDD is necessary. This will then inform your next steps.

### **Source of Funds**

Understanding your client’s source of funds is an important step in the CDD process. You are not required to interrogate all clients about their entire financial history, but you are required to take additional steps to ensure that the transaction is consistent with your knowledge of the client. This is part of the ongoing monitoring exercise which you must conduct on all matters.

### **CDD on beneficial owners**

CDD on beneficial owners is different from CDD on clients. You must:

- Identify any beneficial owners, and then
- Validate their identity on a risk sensitive basis

### **What is a beneficial owner?**



Where you are instructed by an agent or representative of an individual, the beneficial owner is the underlying individual on whose behalf the agent or representative is instructing you.

### **How do I conduct CDD on beneficial owners?**

You must first identify the beneficial owners. You do this through a reliable public source (e.g. Companies House, credit agencies) or by asking the client. Unless there is any reason to doubt the information given, you can rely on the client's word. You must consider the client's risk profile, the structure of the business and the nature of the transaction. This will help you to decide what steps you need to take to verify the beneficial owner's identity. In assessing the risk, you should consider:

- Why your client acting on behalf of someone else
- How well do you know your client?
- The type of business structure and location
- The nature and risk profile of the matter

The key is to understand the ownership and control of the client.

The level of verification required will depend on your assessment of your client's risk profile.

When verifying the beneficial owner, you can:

- Look at organisations charts from the website, annual reports or the client
- Review trust deed or partnership agreement
- Discuss beneficial ownership with the client and record the results of your discussions.

If the beneficial owner of a client is a company, you will need to establish the individual at the top of the corporate tree.

### **What happens if I cannot conclude the CDD exercise?**

Where you are unable to apply CDD measures, the general rule is that we must:

- Not carry out a transaction for the client
- Not establish a business relationship with a client
- Not accept funds from or transfer funds to a client or third party
- Terminate any existing business relationship with the client
- Consider whether a SAR is required

There are very limited circumstances in which this may not apply, e.g. we may be able to verify the client's identity during the establishment of a business relationship if this is necessary to avoid interrupting the normal course of business and there is little risk of money laundering – this is on condition that the verification is completed as soon as practicable after contact is first established.

You must never unilaterally decide that it is acceptable to delay completion of CDD. If you are unable to apply or complete CDD on any matter, you should immediately seek advice from the MLRO – Dave Ireson.

### **Purpose and intended nature of the business relationship**

You must understand the purpose and intended nature of the business relationship. This is a key part of the CDD process. It will enable you to perform your risk assessment of the client and retainer and help you to determine appropriate CDD measures.

Knowing more about the client and their normal activities will help you spot something unusual.

A transaction which appears to serve no purpose could be a money laundering warning flag.

### **Record keeping**

Records of identity checks will be maintained for up to 5 years after the termination of the business relationship. All records kept will be compliant of GDPR regulations and handled in confidence, stored securely and will be capable of being retrieved without undue delay.

### On-going monitoring

Ongoing monitoring is an intrinsic part of the CDD process. It must be performed on all matters, regardless of their individual risk rating, in order to detect unusual or suspicious transactions.

You should:

- Scrutinise transactions undertaken (including where necessary, the source of funds) to ensure that the transactions are consistent with your knowledge of the client, their business and risk profile
- Stay alert to changes in the client's risk profile and anything that gives you rise to suspicion
- Keep documents, data and information used for CDD purposes up to date

### Policy compliance and review

Compliance will be continually monitored through any or all of the following methods:

- File audits
- Review of records maintained by the Nominated Officer
- Reports or feedback from staff
- Any other methods

We will review this policy at least annually as part of our overall risk management process. We will also review this policy if:

- There are any major changes in the law or practice
- We identify or are alerted to a weakness in the policy
- There are changes in the nature of our business, our clients or other changes which impact on this policy.

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