

Anti-Bribery Gift Register Policy

PHX114

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Overview

All gifts, including hospitality, whether given to or received by an **external party must be registered** for approval via the Gift Registration Request found by selecting the request forms tile on the Phoenix SharePoint prior to the transaction taking place.

As a general policy the Company does not believe that the giving, or the receiving of gifts is appropriate to the efficient conduct of its business. There are limited exceptions to this policy which are outlined within this document.

Receipt of Gifts from External Parties (All Employees)

Any employee who has won or been offered a gift or prize of any sort by a business contact (e.g. customer, supplier, vendor etc. — whether actual or potential) must disclose the details of the item and its nature via the Gift Registration Request.

This includes:

- Incentive gifts or events not provided directly by Phoenix
- Vouchers
- Bonuses received directly received from the supplier

Where a Team Manager/Vendor Manager or Divisional Director arranges an incentive call-out day/reward scheme, it is their responsibility to log the details of the scheme and value of the rewards to be issued.

Key Principles for Incentives/Rewards Schemes

- Aligned to the company strategy around vendors, products, and solutions
- Pre-approved
- Awards are visible and measurable
- Fairly distributed - Phoenix to determine (in conjunction with the Vendor) NOT the Vendor unilaterally

Process, Tax & NI

Phoenix funded

- Budget signed off by Board
- Finance Director to advise on the additional tax & NI costs:

- If cash payment through payroll, tax and NI will be deducted from employee's payslip (small company cost for Employers NI @ 13.8%)
- If vouchers or pre-paid cards, Phoenix will pay the tax and NI and submit to HMRC – this is expensive! The effective tax and NI cost to the Company is:
 - 42% for standard rate (20%) taxpayers
 - 90% for higher rate (40%) taxpayers
 - typical average is 60%-70% for a campaign where the awards are made to a mix of standard rate and higher rate taxpayers - i.e. issuing vouchers with a value of £5k will typically cost the company £8k

Vendor funded

- If Vendor provides funding as MDF (i.e. cash to Phoenix) and we then use that cash to pay for vouchers/pre-paid cards:
 - Phoenix will pay the tax and NI (same as if Phoenix funded) – hence avoid! In effect a vendor funded scheme would cost Phoenix money
- If Vendor provides the incentives (vouchers/pre-paid cards) direct to the employees:
 - The Vendor must pay the tax and NI and ensure there is no liability on the employee
 - There is no cost to Phoenix
 - This is acceptable on the condition that the key principals above have been adhered to

Exempt Items/Circumstances for Submitting the Gift Register

- Any gifts/vouchers/bonuses received or given by Phoenix, such as employee of the month vouchers, rewards for long service
- Phoenix incentive trips or expenses paid events/dinners,
- Vendor lunches that are offered to a large group onsite - e.g. pizza days

The above items are excluded as these are recorded centrally and have already been sanctioned by the Phoenix Board.

Promotional gifts such as stationery, which are not of significant value are exempt from this procedure and need not be disclosed. However, employees are reminded that, often, such gifts are sent only to a limited number of employees, and management reserve the right to re-distributed to other members of staff where appropriate.

Return of Gifts

If the Company believes that a gift which has already been accepted, might constitute a bribe or other inducement, the employee must pass the item on to a member of the Phoenix Board or HR who will arrange for the return of the item to the donor with a suitable covering letter.

Failure to Disclose Gifts

Failure to disclose gifts may constitute a disciplinary offence which will be handled in accordance with the Company's formal disciplinary procedure. If the gift in question was of significant value and, for example, the recipient is in a position to influence business dealings with the donor, the offence will be treated as gross misconduct.

Giving Gifts to External Parties (All Employees)

Whilst it is not the Company's policy to offer gifts to suppliers, customers, etc. the business recognises that, on occasion, this may be necessary, for example when someone carries out work on a voluntary basis or for a nominal fee.

Equally, it may be decided that a gift of a token nature would be appropriate if a service has been carried out in an exceptional manner. Such gifts must be proportional to the service or action, and employees must complete the Gift Registration Request in the normal way.

Exceptions will be:

- Entertainment provided to a third party of up to £50 or by prior approval by a Director – as per expenses policy reclaimed through expenses
- Corporate hospitality provided by Phoenix
- Centralised Marketing Events and Promotional marketing items

Where a Gift Request is approved, a Purchase Order should be raised if the business is to purchase the gift and arrange for its dispatch.

Where an Account Manager is purchasing an item and claiming back via expenses as a business expense, the necessary information must be provided, such as a detailed receipt.

Employees who send gifts which have not been approved in accordance with this procedure will be dealt with under the formal disciplinary procedure.

Possible Penalties

Breaches of the Bribery Policy may result in disciplinary action (with possible dismissal).

Individual – Disciplinary

- Asked to attend a hearing where the Directors will listen to your case and may decide to take action.

- Actions as a result may include (but are not limited to):
 - Pay adjustment/reduction, relating to fine
 - Suspension (with or without pay) depending on the severity of the case
 - Dismissal with notice
 - Summary dismissal without notice

Individual – Legal

- Unlimited Fine AND / OR
- Up to 10 Years Imprisonment for any individual found guilty.

Business – Legal

- Unlimited Fine
- Risk of disqualification from competing for public contracts
- Civil Recovery Order

If in doubt, Register it – don't be caught out!

Version Control

<u>Author</u>	<u>Version</u>	<u>Date</u>	<u>Description</u>
Clare Metcalfe	1.0	01/11/2021	Original Document
Clare Metcalfe	1.0	24/10/2022	Annual Review

Document Approval

<u>Name</u>	<u>Version</u>	<u>Date</u>	<u>Position</u>
Sam Mudd	1.0	01/11/2021	Managing Director
Clare Metcalfe	1.0	24/10/2022	Operations Director

Signed: *Clare Metcalfe* Clare Metcalfe, Operations Director

Dated: 24/10/2022